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DRILLING FOR OIL, GAS CONDUCTED IN VARIOUS AREAS

Athens I KATHIMERINI in Greek 8 Apr 82 p 1

[Text] Extensive underwater geophysical exploration will begin next Monday in various areas of the country to locate possible oil deposits over a 6,500 km area.

The exploration, which will begin in the Thermaikos Gulf area, will be conducted by the ship "Western Ocean" belonging to the U.S. geophysical research firm Western Geophysical, on the basis of the agreement signed between the Public Petroleum Corporation (DEP) and the Western Geophysical company.

This U.S. firm, which will act as technical advisor to the DEP, has conducted such exploration in China, Yugoslavia and various areas in the Mediterranean.

Exploration will take place in the following areas: Zakynthos, northwest of Kerkyra, Kythira, southern Crete and the Thermaikos. Costs are estimated at 3.5 million dollars, or 210 million drachmas.

There will be three phases in the exploration: work in the sea area that will last three months, compilation of the geophysical data in special electronic laboratories in London and the final interpretation of these data, which will be carried out by DEP experts with the cooperation of its foreign technical advisors.

Meanwhile, Minister of Industrial Energy A. Peponis and DEP chairman Papathanasopoulos stated that exploration programs are being set up for the location of possible oil deposits in other areas as well (Makedonia, Thraki, Crete, Ipeiros, etc.)

At the same time, it was reported that the floating drill "Dan Barrow" /phonetic/ is conducting drilling in the area south of Katakolon and that it will continue complementary exploration west of Katakolon, where natural gas deposits have been located.

CSO: 4621/286

MINISTERS, MANAGERS MEET TO DISCUSS BUSINESS STRATEGIES

Ministers Offer Proposals

Paris LE MONDE in French 25 Feb 82 p 31

[Text] After indicating that the roundtable of Tuesday 23 February was the "beginning of a new style," the Prime Minister pointed out that "professionals must be active agents of change," and that this meeting was "the beginning of a dialogue which should be permanent." "We should establish new methods of cooperation both at the national level and in regions and businesses."

On the role of professionals in businesses within the framework of the new nationalizations and of the plans for workers' rights, the Prime Minister stated, "Yesterday, professionals were caught in a vise between the employer, who delegated to them part of his authority, and the workers, of which they are undoubtedly a part. They had trouble finding their place between two often antagonistic forces. By developing a social dialogue and granting employees new rights, the policy of change will relax the atmosphere in businesses. It thus encourages a better integration of professionals. It should help end the professionals' uneasiness, which has been talked about for years and which has manifested itself in certain particular forms of unionism."

Recalling the testy actions of some professionals and also the violence in some firms, the Prime Minister declared, "Some professionals have gotten upset and have taken the excesses in certain firms as a pretext to accuse the administration....We must learn to rediscover flexible forms of discussion. We must negotiate. The time for demonstrations can only come afterward. Demonstrations based on principle cannot be substituted for attempts at dialogue." He added, however, "It is never acceptable to resort to internment and violence. The administration is and remains firm on this point. It will protect professionals, as it will protect business leaders, against all forms of violence."

Mauroy then asked "that professionals, engineers, technicians, and foremen take posts abroad, especially in developing countries," that they prove their "vigilance" for "improving productivity and helping the fight against inflation."

He made an "appeal that they take the young under their wing, the young from 16 to 18 who will be hired, in order to create within our modern firms, and even within the administration, the fertile link which existed, and sometimes still exists, between the journeyman and the apprentice."

He indicated that Le Garrec, secretary of state for expansion of the public sector, would study with the professionals' unions "the particular role" that must be given to professionals in the new nationalized firms.

Mauroy also said he was favorably inclined toward the possibility of creating within firms "special procedures within the joint production committees which would allow professionals to play their part...and put their abilities at the disposal of all workers."

On the subject of solidarity, he stated, "We must be fair with professionals. Solidarity is not egalitarianism....When the administration talks of restricting the income range, it is not talking about lowering the salary of the technician or the foreman. Nobody within the administration finds it abnormal that a capable engineer with responsibilities earns four or more times the minimum wage. But it is true that we do find abnormal some directors' salaries that are tens of thousands of francs....The administration's wage policy is based on two major themes: maintaining the average purchasing power, and adjusting salary scales in favor of low salaries. These two trends can lead to a certain compression at the highest levels of the range. But it will not affect the vast majority of those you represent."

Purchasing Power Maintained for "the Vast Majority"

On the subject of taxes, he said, "The divisions of the tax scale have been wholly pegged to the increase in the cost of living. We intend to continue this policy. This indexing results in practically stabilizing the withholding on the income of the professionals....Just as the government is careful not to increase taxes, I want to guarantee that your pensions will be protected." As for the cost of retirement at age 60, it "will be sizable for the pension funds, whether it is a question of regular or additional retirements. But isn't this the counterpart of a reduction of UNEDIC's [National Union for Employment in Industry and Commerce] expenses, gradually reduced by phasing out guaranteed funding?"

In conclusion, Mauroy announced the formation of "an ad hoc group in which the unions will be represented, with Robert Metais, one of [Maurois'] colleagues, in charge of the secretarial functions."

The Nine Issues of the Study Group

A study group--with Robert Metais, a colleague of the Prime Minister, in charge of the secretarial functions--will examine nine issues in the coming months with the union of professionals and the ministries concerned:

- 1) Statistics on professionals' income and an analysis of the income situation;

- 2) The consequences of a lower retirement age on the management and financing of professionals' pension funds;
- 3) The ceiling on family income tax relief and the level of family benefits;
- 4) The range and pattern of professionals' salaries, in conjunction with the higher committee for collective bargaining;
- 5) The minister of labor's proposals regarding employment of professionals;
- 6) Professionals' role in workers' voicing of their opinions (the application of the laws on workers' rights, democratization of the public sector, and the right to be forewarned);
- 7) Reduction of the workweek, and the sabbatical year;
- 8) The reform of the 1970 agreements and of the 1971 law on continuous training;
- 9) The role and formation of conciliation boards.

The Ministers' Proposals

Jacques Delors, minister of economy and finance: A policy of recovery, especially by adopting plans by industrial sector; expansion of the public sector; tripling guaranteed and participatory loans; publication of a government report on income.

Laurent Fabius, minister of the budget: "Tax equality;" "retain the weighted family tax relief."

Nicole Questiaux, minister of national solidarity: Improve family payments, especially for midlevel professionals; "continue the additional retirement systems."

Rigout, minister for vocational training, and Auroux, minister of labor: "A business creation leave (2 to 3 years), which would permit potential business founders to try out their ideas by giving them the right to return to their original firm; leave during the course of one's career in the form of a 'sabbatical' leave or leave without pay; stipends for encouraging educational leave...; the development of shared time employment, i.e., holding a post in several firms or organizations, each as a part-time job.

"Individualized orientation periods at firms; advice for small and medium-size firms on hiring professionals; an experimental counseling plan for placing professionals in small and medium-size firms, to be conducted jointly by ANPE [National Employment Agency], APEC [Association for the Employment of Managers], and APECITA (agriculture professionals); strengthening the protection of candidates applying for jobs; a French workers' house abroad; improving the entry and reentry conditions between the public and private sectors;

eliminating the age limit for the public sector. It would be advisable to study eliminating all age limits for civil service jobs."

Unions, Managers Respond

Paris LE NOUVEL ECONOMISTE in French 1 Mar 82 pp 26-27

[Article by Marie-Louise Antoni: "Professionals: The Anguish of the Joint Program"]

[Text] At the first roundtable discussion organized at the Matignon, professionals were able to bury their quarrels and start a dialogue. But it is not always easy to bridge the gaps between their aspirations and those of the administration.

Since the rumor of a commotion had spread insistently, Jean Menu could not disappoint anybody. He therefore raised a commotion. Ignoring Pierre Mauroy's invitation Tuesday, the number-one man in the CGC [General Confederation of Managerial Personnel] was the only one who did not participate in the professionals' high mass. But dialogue finally triumphed over quarrels.

Menu explained that the company did not suit him. Not the company of the seven ministers who brought pacifiers: tax relief, protection for additional retirement pensions, the sabbatical year, and educational leave.

No, Menu did not care for his counterparts at this roundtable: Edmond Maire, Georges Seguy, and Andre Bergeron, who were represented in this instance by their "Mr Professionals." However, as it was inconceivable for professionals to boycott a meeting that was often wanted but several times postponed, Paul Marchelli officiated. And he did it well, since after the anger had passed, he praised Jacques Delors' severity and the Prime Minister's spirit of dialogue. Of course, the CGC's number-two man feels as much at ease in the heat of vindictive congresses as he does in ministry hallways, and he is able to march alongside salesmen who are asking for reduced taxes on fuel and to berate an impecunious government at the same time. Faced with developing competition, the tranquil fathers of unionism can no longer sit on their grumbling and drowsy monopoly, because the offensive is twofold. There is the charm of an administration that likes professionals so much that it brings forth endless negotiating partners. And there is no lack of candidates with whom to talk. On Tuesday, therefore, the union of upper-level professionals will just have to make do with a folding chair. In addition, there is the offensive of the large workers' unions that have given rise to mediators between an administration whose reasons they understand and angry professionals. Of course it is not always easy to bridge the gap, but the similarity among the claims made by each of the large unions proves at least that the professionals' leaders are not afraid of heights. Although they lack a united front, they have almost a joint program.

As for income, the tangled figures have not prevented a unanimous stand. Despite INSEE's [National Institute for Statistics and Economic Studies]

explanation that professionals' purchasing power increased in 1981, while AGIRC [expansion unknown] announced a decline, the administration went to a lot of trouble explaining that the increased withholding made up for the new taxes, and that within the large, eclectic family of professionals, not all are affected. Nevertheless, the unions seem convinced that the boat cannot be loaded anymore. The keyword is to fight against tax evasion. For the CGT as well as the CGC, the order is more precise: maintain purchasing power. This wrenches the solidarity that the professionals of the FO [Workers' Force] justify by denouncing antisolidarity or the new mania for salary ceilings, which now excludes professionals from most social measures such as workers' cafeterias, lodging, and vacations. Even the CFDT, ardent defender of a salary ratio of 1 to 6, has asked for a 2-year period of social and tax relief that would be a prelude to large-scale reform. The unions also take into consideration the risks of haste.

The lowering of the retirement age to 60, as proposed by Nicole Questiaux, causes a mixture of embarrassment, anger, and worry among all the professionals. Although disturbed by it, those in the CFDT and the CGT can only approve of this goal, which is among the principal claims of their federations. Both take advantage of the situation to call for a "democratization of AGIRC's pension fund," which is almost totally controlled by the CNPR [National Council of French Employers] and the CGC. But no one has risked explicitly asking that professionals' pensions be linked to the general Social Security system. The CGT and the CFDT are especially embarrassed by a plan which, at best, would cost active professionals dearly, and at worst would reduce the pensions of older professionals. To ensure the latter an income equal to the guarantee of resources (70 percent of gross salary) starting at age 60, which they want, the withholding paid by their members would [have to] increase by some 50 percent between now and 1985. To keep the average rate granted today at 65--about 60 percent of the salary of the 10 best years--would, despite everything, call for a 24-percent increase in contributions and a ceiling on payments. "Better retirees than unemployed," says the slogan, without designating who will pay. And although all the unions espouse the virtues of job sharing in order to create jobs, none--except for the CFDT, which has remained faithful to its dogma--is ready to advocate income sharing. When unemployment hits 100,000 professionals, protection is a far more popular theme.

The unions have unanimously demanded a statute for French workers abroad, a statute for researchers, and total protection for professionals 50 years of age. In the realm of dynamic suggestions, the unions are all demanding an industrial policy in which doomed sectors will no longer exist and in which an open employment market, the strengthening of APEC's [Association for the Employment of Managers] methods, and training would be the best defense against unemployment. The CFT [French Confederation of Labor] is asking that 2 percent of total salaries and 10 percent of work time be devoted to training; the FO is demanding 2 weeks of educational leave every 4 years; and the CFDT is proposing seminars on ergonomics and social strategy.

Cracks

The unions would like to see tomorrow's professionals play a larger role within the firm, but each has its own ideas. The CGC believes only in the

effectiveness of a seat on the board of trustees, while the CGT and the CFDT would like a good place on the joint production committee. They are all ready to be spokesmen, but there the unanimity ends.

The CGC has revolted against a measure in the Auroux report which would broaden the appointment of professional delegates to the joint production committee. It sees this as a favor to the CGT, a slap in the face for itself, and nothing more is needed to rekindle the war of representation--a battle which is skewed today by a lack of verification and the blur of statistics. How can you prove that the CGT really has 300,000 professionals behind it? As many as the CGC, which does not hesitate to recruit foremen in order to swell its ranks. More modest and selective, the unions of professionals of the CFDT, FO, and CFTC do not claim to have more than 60,000 members in the best of cases, but they are all convinced that their union includes thousands of uncounted professionals. In short, only the professional elections give an approximate idea of the influence of each. The CGC gets almost 40 percent of the votes, while the other unions receive almost 60 percent, which proves that the large family of professionals is nicely divided. Election evenings animate the unions. From employers to the RPR [Rally for the Republic], from the unions to the administration, there is no lack of candidates. But regardless of the adventure proposed to them in the name of the franc or of solidarity, professionals do not want to commit themselves without guarantees for their taxes and their retirement.

9720

CSO: 3100/414

GDR SEEN TRYING TO 'PERSONALIZE' TRADE RELATIONS

Paris LE FIGARO in French 22 Feb 82 p 9

[Article by Jean-Paul Picaper: "French Telephone Exchanges in the GDR"]

[Text] Two days of negotiations and Friday's signing of a "skeleton protocol" for cooperation in the field of pure chemistry by the appropriate French and East German institutions, meeting as a "France-GDR joint commission on chemistry," have led to a testing of East-West trade relations. The support of Deshors, French ambassador to East Germany, of the French minister of industry, and of East German Minister of Chemical Industry Wyschofsky and his assistant Weihs made these meetings "official." They were held in the gigantic industrial trade center on Friedrichstrasse, CEMA's promontory toward the West, built with the help of the Japanese. The GDR is trying to personalize its relations with French businesses, firms, and credit institutions in order to make up for the reduction in trade caused by the Polish economic fiasco (and Romania's growing problems), as well as by the indebtedness of the Soviet bloc, by the collapse of the world economic outlook, felt as much in the East as in the West, and by political restrictions (sanctions, embargoes, the COCOM list, etc.).

There seems to be a contradiction between the desire of East Germany's leaders to exploit trade politically (a discreet disappointment has been expressed at not seeing any announcement of French ministerial [attendance] at the Leipzig fair from 14 to 20 March) and the need for informal contacts at the level of factory complexes and peoples' enterprises, which a reform in import-export methods will accentuate. Precisely when the negotiations were taking place with France on 18-19 February, there was a change of director at the head of the East German foreign trade organization for chemistry, which will still handle foreign currency but will henceforth allow firms to negotiate and sign directly. Laroche, secretary of the liaison committee for our chemical industry (CLEC), is pleased.

"This has already been done in Hungary. Now it is starting here. Trade organizations no longer have a sales monopoly, and that will be better. Those directly in charge speak the same language we do." Erich Muller, member of the Party Central Committee and director general of the Leuna factories, said substantially the same thing to me. "For the past 3 years, trade relations have increased. Leuna has direct contacts with Technip and with the French subsidiary of Kloner. In the protocol we defined future scientific and technical cooperation; trade is understood. Our goals are to study savings and substitutions of raw materials; energy savings--especially electricity, a field where France is very advanced; and the use of liquid raw materials." Leuna, specializing primarily in petrochemistry, was founded in 1916. The former IG-Fargen, it is the largest firm in the GDR, surpassing Bitterfeld and Piesteritz, and employs 32,000 persons, of whom 4,500 have degrees. It accounts for 12 percent of chemical production, has a research institute, and is in the forefront in the production of methanol--[a product] which is symptomatic of East Germany's need to search for additional ersatz energy--an old tradition primarily from lignite, which it has in abundance. The Soviet Union has just reduced its oil deliveries by 19 percent (from 19 to 17 million tons, for a refining capacity of some 20 million tons) after increasing the price. An Iranian deputy prime minister recently spent 4 days in East Berlin with Wyschofsky, while two other leaders, Kleiber and Seibt, traveled to Iraq and Syria. East Germany's "thirst for oil" is equaled only by its "thirst for hard currency." The French are convinced that East Germany's foreign debt with regard to the West has increased not to 10 but to 12.5 billion dollars, of which 4 billion will fall due in July. The increase in prices and the salvaging of Poland is costing CEMA's treasury, and especially the GDR, dearly. For the first time, the USSR has asked for an extension of its term of credit and has encouraged its satellites to meet their needs outside of CEMA.

Large Contracts

The balancing of trade with France this year will tend to slow down, and for these reasons, which have nothing to do with the 5-year plan. Trade sagged in 1980, then recovered in 1981 (60 percent more; 2.8 billion in French sales, 1.5 billion in French purchases), thanks largely to massive purchases of catalysts for East German oil refining. Three large-scale negotiations are under way: telephone exchanges (CIT-Alcatel), engines, and railroad cars. The third, which has almost been concluded (2,000 cars to be bought from Norfer for 500 million francs), was "political" because this market affects the Lille region. Among the large sales recently completed have been the sale of a ferrosilicon manufacturing plant by SERETE [Company for the Study of Thermal Use and Production] (220 million francs), a methanol contract with Klockner-INA (500 million francs), electrical equipment from Jeumont-Schneider (120 million francs), a paint shop for Air Industry trucks (130 million francs), and aluminum presses from SECIM [Chavannes Brun Mechanical Construction Company] (20 million francs). There have also been failures: the departure of the Polish labor force, replaced by North Africans, has practically brought to a halt the construction of a French chemical factory in Rostock. East German purchases of synthetic rubber have fallen; those of fertilizer have ceased.

'UPSWING' IN GREEK-ROMANIAN COOPERATION REPORTED

Athens BUSINESS & FINANCE in English No 186, 20 Mar 82 p 10

[Text]

The eighth session of the Joint Governmental Commission on Greek-Romanian Cooperation took place in Athens from February 23 to 26 this year. The Romanian delegation was led by Gheorghe Petrescu, minister of the Machine tool, Electronics and Electrotechnical Industry. The Greek delegation was led by Minister of Coordination Apostolos Lazaris.

Both sides emphasised the importance of the development of economic relations and cooperation between the two countries, and agreed to further encourage and promote the development of bilateral cooperation, particularly in the fields of transport, telecommunications, railways, creating new objectives in the cement sector, oil drilling, petrochemicals, alumina, an installation for recovery of secondary zinc and lead, and promotion of cooperation in the production of equipment for hydroelectric stations: all on the basis that these meet common interests and needs.

In fact, the Romanian delegation informed the Greek side that there is a possibility of supplying Greece with about 100,000 telephone lines of the Pentaconta system each year, and computers of various capacities to meet the needs of OSE, PPC, OTE or other organisations.

On the subject of cooperation in the modernisation of the Greek railways, including the electrification of some sections of the main railway trace, Greece will issue the tenders in due course, and will invite the Romanians to participate.

In the field of scientific and technological cooperation, the joint commission noted with some satisfaction the progress that has been achieved during the period since the seventh session on agriculture and oceanographies, and it was decided to enlarge the cooperation in this field by setting up nine new research projects in agriculture, animal husbandry, medicine and oceanography.

Both Greece and Romania also noted with satisfaction the continuing development of the good cooperation between DEP and Rompetrol, which started in 1976, and expressed the desire of both companies for this cooperation to continue further, in relation to the DEP five-year plan.

More specifically, there was a call for the further training of DEP's scientific and technical personnel and the organisation of short-term seminars in both Greece and Romania. It also was suggested that experienced and specialised Romanian scientific personnel be invited to Greece to share their expertise, and that there be a mutual exchange of specialised scientific personnel in the fields of exploration, development and production of hydrocarbons.

Within the framework of commercial exchanges, the two delegations agreed to recommend that the companies from both countries pay particular attention to the development of trade on the basis of long-term contracts, including goods resulting from joint ventures. On the basis of stipulations of the agreement for industrial products,

the Romanian delegation asked for elimination of quantitative restrictions, and requested that products presently restricted be liberalised, including those in annexes V and VI of Greece's Treaty of Accession to the EC. The Greek delegation noted the Romanian proposals, and is to submit them to EC authorities.

Concerning cooperation in other fields, both sides agreed that the negotiations and the conclusions of the new cultural exchange programme for 1983/84 will take place in Athens later this year. Romania has offered to play host to the archaeological exhibition 'The Treasures of the Aegean' in 1982, to admit Greek undergraduates to Romanian universities, and to make every effort to meet reasonable requests concerning conditions of study and standards of living.

Taking account of the important air traffic between Thessaloniki and Romania the Romanian delegation renewed a proposal for the establishment of a Tarom line for a period extending from April to September.

Both delegations agreed that the ninth session of the Joint Commission will take place in Bucharest in 1983, at a date to be mutually agreed through diplomatic channels.

CSO: 4600/392

PROBLEMS AFFECTING GREEK FLAG FLEET CITED

Athens BUSINESS & FINANCE in English No 186, 20 Mar 82 pp 14, 15

[Article by D. Zaharopoulos]

[Text]

A slump in the freight market and resulting drop in ship prices in mid-1981 proved too tempting for Greek shipowners to resist. By the end of October, 1980, the Greek-flag fleet had gained a total of more than 2 million gross registered tons, and by the end of last July had surpassed Japan's fleet to gain top place in world tonnage after the Liberian-flag fleet.

The latest figures available, for the end of October, 1981, show a total of 4,377 ships and 50,848,666 grt under Greek ownership. Of those, 3,920 vessels (42,708,340 grt) are Greek-flag ships and 457 vessels (8,040,326 grt) are registered under foreign flags, mostly Liberian and Panamanian.

But despite what looks like some healthy weight for the Greek fleet, there are three basic problems. The first is age — the fact that 31.4% of Greek tonnage is 15 to 24 years old. Secondly, the fleet is engaged principally in cross-trading, and extremely vulnerable to vagaries of the freight market and threats posed by protectionism and cargo-sharing plans. Third, and probably most importantly, is the fleet's acute shortage of Greek crews and qualified officers.

One major obstacle was overcome on New Year's Eve, however. The Panhellenic Seamen's Federation (PNO), which initially demanded flat wage increases of 30%, finally agreed to 22% increases for lower dock crews and 19% for officers — apparently heeding the shipowners' warning that huge wage

increases would hike running costs of Greek ships beyond their ability to compete on the world market.

Aristomenis Karageorgis, president of the Greek Shipowners' Association, recently warned that "maintaining the competitive ability of Greek shipping is not only the cornerstone of the development policy for shipping, but also is essential for its very survival."

Though the old-age problem of Greek ships has improved considerably over the past few years, there is still some way to go to meet multinational levels. Greece's proportion of ships aged nine years or less is 37%, compared to French, German and Italian levels of 83%, 77% and 57% respectively.

Greek shipowners are going to have to rely, however, on European Community councils accepting their views on the complete freedom of sea transport, as far as protectionism and cargo-sharing plans are concerned.

But their views will have some weight. Greece's entry into the EC raised the EC's total tonnage to nearly 30% of the world total. In addition, Greece's new socialist government has promised to support the shipowners' views — and, with the help of other cross-traders such as Norway, it is hoped that UNCTAD's attempts to impose cargo-sharing schemes can somehow be reconciled with the concept of freedom of the sea.

NON-AVAILABLE SEAMEN

Ironically, in regard to Greek ships' crew shortage, the fact that the country has not yet suffered significant unemployment only serves to compound the problem. In other words, the higher earnings of shipboard jobs are still not enough to counter the comforts of a home life and shore job.

The sheer unavailability of crewmen has forced many owners to disregard a law which demands that Greek-flag ships not exceed a 25% proportion of foreigners to Greeks in the crew complement. This, in turn, subjects the owners to considerable harassment by port authorities both at home and abroad. Although the previous administration had given a tacit approval in cases where agreements were signed with Asiatic unions for homogenous lower crews, the new government, under pressure from unions, is putting the clamps on that practice.

The problem with officers is little better. About 14 public training schools and a handful of private academies have been turning out nearly 1,000 apprentice deck officers, engineers and radio officers a year, but no provision has been made to increase that number or expand facilities to keep pace with the vast rise in Greek tonnage. Nor has new equipment been obtained, nor new training methods to handle the advanced technology of modern vessels.

Still another inconsistency is that the owners have for years been paying a tonnage-scaled contribution to a maritime training fund managed by the Seamen's Pension Fund (NAT) — which supports the free schooling and currently amounts to \$17 million a year — but without any say in school administration. That, instead, is handled by the Ministry of Merchant Marine.

Instead of continuing to hit its head against the brick wall of lethargic government bureaucracy, the Greek Shipowners' Association last year took matters into its own hands by launching a \$350,000 publicity campaign to attract more youths to the training schools.

The play paid off when last September the schools received 1,000 more

applications than they had in 1980 — and the government finally aided the campaign by providing a reduced period of military service for apprentices who served a minimum of five years at sea on a Greek-flag ship.

Plans now consist of setting up 'lyceums' to train able seamen with 'sandwich' courses consisting of six months of shore and six months of sea training, consecutively. The association has also reached an agreement with the Southampton College of Nautical Studies for post-graduate training of teachers to provide advice and guidance in training methods and equipment.

By these means, owners hope the improved officer training and strict application of the latest safety requirements will result in reduced accident rates on Greek ships. Given prominent play by the world press, these accident rates are not nearly as bad as they are made out to be, the owners say — considering the size of the Greek fleet and the fact that it is composed mainly of tramp ships sailing all seas in all weather.

ECONOMY AWRY

Despite the fact Greece's merchant fleet is the largest nationally owned fleet in the world, its contribution to the country's economy is disproportionate to its size.

Because Greece's shipping infrastructure is still in its infancy, millions of dollars are paid out annually for engine and hull insurance, mutual risks insurance, food provision and ship supplies, repairs and drydocking and new buildings. But this money is not paid into Greece's pocket.

Greece's foreign exchange earnings from shipping consist mainly of tonnage tax, contributions to pension funds and the remittances of seamen to their families. And again, the latter would be much larger were it not for the fact that more than 30% of the crews are comprised of foreigners who naturally send their earnings to their own countries. Also part of the country's earnings are monies paid by shipowners to meet expenses of their tax-free offices in Greece and the amounts they import for purchases of real estate or invest-

ments.

Nevertheless, shipping forms the largest source of invisible earnings for Greece, often exceeding tourist income, and in 1980 represented \$1.8 billion. 1981 figures set this income at \$1.363 billion by the end of September, compared with \$1.290 billion at the same time in 1980.

Although government statistics claim shipping brought in \$1.67 billion in 1981, it is suspected that the total is closer to \$2 billion. Shipping circles maintain the difference is due to the fact that Bank of Greece statistics do not take into account certain items of foreign currency imports – indeed, that the figure for 1980 is closer to \$2.2 billion. Shippers further claim this income could be enormously increased if the state were able to provide more repair and servicing facilities and supply points.

Such facilities now consist of the Stavros Niarchos – owned Hellenic Shipyards (Greece's largest, with 500,000- and 250,000-ton graving docks and three floating docks); the Eleusis Shipyard (built by shipowner and banker Stratis Andreadis and now state controlled); the Neorion Yard at Syros (formerly owned by Goulandris and now state controlled), a yard at Chalkis owned by Carras, and a number of smaller yards in the Perama region near Piraeus. Piraeus Port Authority also operates two graving docks and two floating docks, bringing total dry-docking facilities to 16 – all of which usually are booked months in advance.

Expanding these facilities would benefit the national economy since they would be conveniently placed to service the many hundreds of ships sailing the Mediterranean each year. Advantages also would include few days lost because of bad weather and the fact that the facilities would be preferred by Greek owners for the obvious reasons of crew changes, taking on supplies and others.

Yet previous governments have been blind to these benefits and consistently neglected this sector of Greek industry by refusing financial support and presenting bureaucratic obstacles to shipowners who sought to enter the field. An example is the frustrated attempt by shipowner Karageorgis several years ago to set up a large shipyard and industrial unit at Pylos.

The shipowners are not, however, concerned that the new government of Andreas Papandreou will interfere with the legislative and constitutionally guaranteed framework which governs Greek registry, and which has encouraged them to transfer 438 ships totalling 9.5 million grt from Liberian, Panamanian and Cypriot to Greek registry between January 1, 1978, and August 1, 1981.

Of the new government, says Karageorgis, all the shipowners would ask is 'for an accurate, objective and unprejudiced assessment of the role played by merchant shipping, and the realisation that when it prospers its contribution to the national economy is the most spectacular and most effective.'

CSO: 4600/392

LIBYANS REPORTEDLY CURTAIL CONSTRUCTION PROJECTS

Istanbul GUNAYDIN in Turkish 5 Apr 82 p 5

[Text] Ankara--It is reported that the curtailment of 1982 development plan housing investments by the Libyan Socialist People's Jamahiriyah has left Turkish contractors and workers in a difficult position.

In a statement on this topic made by Ozer Olcmen, member of the board of directors of the Turkish-Libyan Contractors Association currently working to become an official organization, he indicated that the nearly 100 Turkish firms in Libya had a \$7 billion volume of work and that 95 percent of this was related to housing construction.

Olcmen noted that Turkish contractors creating job opportunities in Libya had brought up to 200,000 Turkish workers to Libya in order that they might work on their projects. He indicated that the curtailment of housing construction by Libya had left both the Turkish contractors and also the Turkish workers in a difficult position and he indicated that several firms had not paid their workers.

CSO: 4654/279

ULUSU NOTES GOVERNMENT POLICY ON LAND, AGRICULTURE REFORM

Istanbul MILLIYET in Turkish 9 Apr 82 p 8

[Text] President Bulend Ulusu has been inspecting the Cukurova region for some time now. In a meeting which he held in Antakya the night before last with large landowners and representatives of agricultural organizations, he said: "The land and agricultural reform proposal was prepared in haste, it could not be studied fully. As the government, we are continuing work on the proposal. We will not issue a land and agriculture reform law which causes uneasiness; the right of ownership will not be infringed upon. Above all else, I want you to be sure of this. Reform does not mean distributing land, it will be agricultural reform."

Ulusu answered those complaining of the high cost of credit, saying: "We are engaged in an effort to overcome inflation. We do not want to print money and thus grant credit. We desire to utilize sound resources."

The president and the ministers accompanying him returned to Ankara yesterday at 0940.

CSO: 4654/279

REPORTER SEES USSR STEPPING UP WOOING OF SWEDISH, DANISH CP'S

PM151055 Stockholm DAGENS NYHETER in Swedish 24 Mar 82 p 10

[Staffan Teste article: "Rolf Hagel: No Money From Soviet Union"]

[Text] The Soviet Union is taking a growing interest in the small communist parties in the Nordic countries that are loyal to Moscow. In the last month the [Swedish] Workers Party Communists (APK) and the Communist Party of Denmark (DKP) have paid official visits to the CPSU in Moscow.

For the first time these parties, which are minority political parties in their home countries, are being received at the highest political levels. While the APK was able to discuss international issues with Politburo candidate member Boris Ponomarev, the DKP delegation was allowed to meet Politburo member Konstantin Chernenko. Chernenko is thought to have been selected as Brezhnev's crown prince and is increasingly taking over the work on ideological questions since the death of Mikhail Suslov in January.

It was from the meeting in Moscow with Chernenko that DKP Central Committee member Ignmar Wagner returned to Denmark to face police questions about where he had received the money which had been stolen from his home.

Swedish APK leader Rolf Hagel is not pleased at hints in the mass media that communist parties in the Nordic countries are receiving financial support from the Soviet Union.

"That's not how things are," Hagel said. "We get lots of political and moral support, but we really don't get any financial support."

The official APK party delegation which was invited to Moscow--the first under the name of the APK since 1977--comprised party leader Hagel, party treasurer Sven Holmberg, and Central Committee members Irene Maardh, Jan Joensson and Rik Berg.

"There are forces in our world which want to compromise the peace movement," Hagel said of the accusations leveled against the Soviet Union of having provided money for peace movement advertisements in Denmark, for example. But in Hagel's view such accusations are bluffs.

Hagel said that he really finds it difficult to believe that the money in the center of the police investigation in Copenhagen could have come from the East.

"I know from my own experience that things don't work like that. There is no money to be had in Moscow," Rolf Hagel said.

CSO: 3109/145

LEVESQUE BLAMES ENGLISH-SPEAKERS FOR QUEBEC'S PROBLEMS

Paris LE POINT in French 22 Feb 82 pp 62-63

[Interview with Rene Levesque, Quebec premier, by Georges Suffert and Jean Lesieur, date and place not specified]

[Text] At the age of 60, does Rene Levesque still want to obtain sovereignty for Quebec? How and with whose support? He answers Georges Suffert's and Jean Lesieur's questions.

Question: Has the rise of Francois Mitterrand and the left to power changed the friendly relations between France and Quebec?

Answer: Why hide it from you? We have wondered. Were the Socialists, through anti-Gaullist nostalgia, going to run counter to the policy followed by previous administrations? As far as I know, Francois Mitterrand does not know Quebec very well. He hasn't had the time to gauge its temperatures. But he is a statesman.

Question: Exactly. We've had the feeling in Paris that he wanted to cool relations with Pierre Trudeau, that is to say with your "bete noire," the federal government. Pierre Mauroy even told the Montreal daily, LA PRESSE, that he would deal with your government as with the other provincial governments in Canada.

Answer: Pierre Mauroy also recognized several days later that he still wasn't very knowledgeable on the subject. He will find out. In any case, he is supposed to make an official visit in several weeks. We are warmly awaiting him.

Question: An official visit to Canada or to Quebec?

Answer: Both, I am told. During the visit we will follow the procedures used during the visit of his predecessor, Raymond Barre; in that is to say, he will split his time equally between Ottawa and Quebec.

Question: And if Pierre Trudeau finds this too much?

Answer: I don't even want to think about it.

Question: However, French-Quebecois friendship has been rather disappointing on the economic level.

Answer: The economy isn't everything. And besides, there are some large-scale projects at the moment. First of all, with Pechiney, who is interested in the price of our hydroelectric power. Then, with Renault. That is less certain. There is a lot of Renault here. Perhaps Regie will one day decide to manufacture spare parts here at least.

Question: The failure of the 1980 referendum on sovereignty was a major political defeat for you. Why didn't you resign?

Answer: Because I am democratic as well as stubborn. Democratic: The result of the referendum was clear but a year later my party and I won the elections. Stubborn: More and more French-speaking citizens are rallying around our plan for independence. People progress through a series of enlightenments. The 1980 referendum will end up being only a step in our long march.

Question: The economic crisis is going to oblige you to take unpopular measures. Isn't there a risk of independence being put off indefinitely?

Answer: For at least the next 18 months, it goes without saying that our duty is to resolve the crisis: 11 percent unemployment, between 13 and 14 percent inflation, 42 percent of the country's business failures; that is serious. We have begun a program of reducing public expenditures, freezing wages and assisting small businesses. But, here again we run into the big hand of the technocratic and centralist mandarin court of the men in Ottawa. Their tactic is more often to corner us than to help us.

Question: They say that the Queen of England herself is going to bring the venerable text of the Canadian Constitution, which the British Government has been holding since 1867, to Ottawa at Pierre Trudeau's request. It is rumored that you are going to boycott this ceremony.

Answer: Boycott it? I certainly won't be invited. And I will tell you why. Led by the indefatigable Mr Trudeau, English-speaking Canada is putting something over on us. Mr Trudeau is not bringing back the Constitution, he is changing it and strengthening federal power at our expense. Besides, from what I know, the Queen is wondering whether she should really come wade into this mire with her cursed package.

Question: And if she comes anyway, what will you do?

Answer: You'll see.

9693

CSO: 3100/412

DAILY ON AMERICAN GREEK MEMO TO CONGRESS

NC141133 Nicosia I DHILINI in Greek 14 Apr 82 p 3

[From "Our Opinion" column: "The United States and Turkey"]

[Text] The Hellenic Institute in Washington calls on U.S. Congress in a memo for the unanimous rejection of "the Reagan administration's unreasonable recommendation for an excessive increase in military and economic aid to Turkey and to stop all free aid to it." Once again the Greeks in the United States are asking Congress to act justly and democratically, honorably and morally and thus put an end to the U.S. Administration's granting aid to aggressive Turkey, which not only by force of arms occupies a great part of Cypriot territory since 1974 and has expansionist aims against Greece, but also cooperates economically and militarily with the Soviet Union--the number one rival and enemy of the United States.

It is time for the United States to look with a different eye at both the Cyprus issue and its relations with Greece and Turkey. So far, it has been unjust to its sincere friends, the Greeks, and it has favored the Turks who were never a war ally to the United States. Until when will the Americans pay enemies and thus lose tested friends? Have not all those past mistakes made them ponder and wiser up? The memo of the Hellenic Institute in Washington stressed that it is time to carry out a full revision and reassess the U.S.-Turkish relations taking into consideration the "de facto" Turkish economic and military cooperation with the Soviet Union, its intransigence toward the Cyprus issue, its threats against Greece and its repeated trampling on international law.

CSO: 4621/284

ARAB MISSIONS CALL ON CYPRIOTS TO CONDEMN ISRAEL

NC140814 Nicosia KHARAVYI in Greek 14 Apr 82 p 1

[Text] Yesterday, the Arab missions and bureaus in Nicosia called on the Cypriot people to condemn the recent Israeli crimes in the Arab occupied territories, to proceed with implementing the UN resolutions that provide for sanctions against the Zionist state and to break off diplomatic relations with it.

In a written statement to the press they also stress that: "As is apparent from the documents found in the U.S. Embassy in Tehran, the friendly Cypriot people know that the mission of the Israeli Embassy in Cyprus is to spy against their interests and freedom. The Arab people stood, and continue to stand, on the side of the great Cypriot people."

The beginning of the statement mentions last Sunday's bloody armed attack on religious sites in Jerusalem. It charges that this attack was not the effort of just one person but was done by a group of immigrant gunmen and men of the Israeli occupation troops.

The statement further says that during the attack a 19-year-old and a 70-year-old guard of the Al-Aqsa mosque were killed, and many others were wounded.

It also stresses that it is neither the first nor the last time such a criminal action is committed and that it aims at eradicating Muslim and Christian history, culture and religion in the occupied territories and to Judaize them.

Finally a reference is made to the continuing strike of the Arab citizens in the Golan Heights and to the preparation for an aggression against southern Lebanon.

The statement concludes: "All this takes place with the help and support of U.S. imperialism which always hastens to cover up any Israeli aggression."

CSO: 4621/283

PAPANDREOU TO TAKE UP CYPRUS ISSUE AT NATO

NC120831 Nicosia ALITHIA in Greek 12 Apr 82 p 8

[Special dispatch by D. Zannidhis]

[Excerpts] Athens, 12 Apr--According to reliable reports from well-informed sources in the Greek capital, Prime Minister Papandreou will raise the question of the occupation of Cyprus territory by the Turkish troops at the sidelines of the NATO session in Brussels beginning of May.

The reports add that Mr Papandreou will imperatively place before all the governments member states of the North Atlantic Alliance the question of withdrawal of the Turkish occupation troops and he will repeat that Greece is ready to meet the maintenance expenses of an increased UN peace force.

In the meantime, while Ankara insists that it favors a federal solution of the Cyprus problem that will result from the intercommunal talks, reliable reports say that in addition to reinforcing the Attila forces, the Turks have been trying to change the demographic structure recently by transferring thousands of Turks to the occupied part of Cyprus. Many of them are immigrants from Germany who after their return to Turkey were sent to Cyprus where they are given property.

Moreover, many Turks who have been sent to Cyprus are receiving economic assistance from Ankara and they are joining a paramilitary force, which is under the guise of civil defense, to fill the gap that would be created by the withdrawal of the Attila forces.

CSO: 4621/283

BRIEFS

VISITS BY FOREIGN DIGNITARIES--Mr Qaddumi, who is in charge of the PLO's foreign relations, will pay an official visit to Cyprus within the next 2 months at the invitation of Foreign Minister Rolandhis. Mr Rolandhis and Mr Qaddumi have had talks within the framework of a ministerial conference held in Kuwait by the Nonaligned Coordination Bureau. Panamanian Foreign Minister Jorge Illucea will also pay an official visit to Cyprus between 27 and 30 August. As is known, the Czechoslovak and Syrian foreign ministers are expected to arrive in Cyprus soon. The visits to Cyprus by foreign ministers, mainly of Nonaligned Movement member countries, are considered as an indication of successful activities in portraying the Cyprus issue internationally. [Text] [NC110754 Nicosia 0 FILELEVETHEROS in Greek 11 Apr 82 p 1]

CSO: 4621/283

CONSERVATIVE YOUTH ONLY PARTY YOUTH GROUP GROWING

Copenhagen BERLINGSKE TIDENDE in Danish 14 Mar 82 p 6

[Article by Jørn Mikkelsen]

[Text] "We have many things in common with the BZ Activists* at Vesterbro in Copenhagen. We are dissatisfied with the controlled society. Our enemies are the Social Democrats, who are in charge of everything. We are angry at the society that is not free, and we want to change it."

This statement was made by Lars Poulsen, 22, national chairman of Conservative Youth, who these months is experiencing a landslide enrollment of young people in his organization. He explains why:

"Today, we are the ones who are progressive and who want to innovate the society. It is the socialists who are in power, but they do not know what to do with it. They have got nothing more to fight for. Young people get in contact with them everywhere, in schools and through the media, and turn against them. It is the people from the times of the youth rebellion who have become satiated. It is a new time now, and a new freedom-oriented youth rebellion is in full swing."

According to Lars Poulsen, many young people who are unemployed join Conservative Youth because they recognize the necessity of forcing through a more market-oriented system. But why do some of the unemployed join Conservative Youth while others seize vacant buildings and flats?

"The BZ Activists do not have much to do with the unemployed. Like all other movements, they are controlled by socialists. They are being used as the stooges of left-wing groups. The reason why all these grassroots movements emerge is that people do not really know what they want to achieve with their anger. They are an expression of rootlessness. They are dissatisfied with the society and are being used by the minority which undermines the capitalist system. For the BZ's do not at all want that youth center. For what are they then to demand the next time? They want to make demands which they hope cannot be met, just to keep the pot boiling."

*[Translator's note: BZ Activists: people who seize buildings and flats at Vesterbro in Copenhagen; expansion unknown]

Lars Poulsen says that the main reason for the enormous enrollment in Conservative Youth is that young people who are silent feel pressured and now start feeling that they have had enough of the social philosophy of the Social Democrats. He does not find that a polarization of the young people is taking place because there was not, for a long time, any real opposition to the Social Democrats. At the same time, he rejects the terms "right" and "left."

"These are standards invented by the Social Democrats in order that they may themselves stand in the center of Danish politics. The distinction is between "freedom oriented" and "totalitarian." The totalitarian movements are nazism, fascism, communism, and socialism. They all want to suppress personal liberty. It is thus a mistake to regard Hitler as right-wing--he was, after all, thrown out of the Bayern Communist Party. The new youth rebellion wants to thwart the attempts on the part of left-wing groups to tyrannize. But, unlike them, we are ready to let them keep their political beliefs. Tolerance is the code word for Conservative Youth. People must be allowed to live the way they want to as long as they do not disturb others in so doing."

Lars Poulsen regards Conservative Youth as the sole representative of a real showdown with the Social Democratic Party. On the Liberal Party Youth Group, he thus says:

"The Liberal Party Youth Group is formally the youth organization of the Danish liberal party. This probably is the most scandalous use of the word "liberal" that I have experienced. The Liberal Party Youth Group, as a rule, sides with the Social Democratic Party Youth Group. The Liberal Party Youth Group is no competitor to us: it is the Conservative Party Youth Group against the entire left wing. They are clamoring for more money for young people. They all behave like a union for young people. We tell everybody: we are an idealist movement working for freer conditions for people. We do not, unlike them, have a fixed ideology, a bible in which we may always look up things. We concentrate more on fundamental and long-term objectives."

Lars Poulsen says that it is unjustifiable for other youth organizations to demand additional funds for the state-run Young People's Education Fund. That is tantamount to postponing payment of a bill to the future, which bill the young people will have to pay themselves at compound interest because the money will have to be borrowed abroad. He says that the Social Democratic Party, in that way, deceives the young people.

Soviet Garbage Collectors

A typical feature of Conservative Youth is, in the opinion of Lars Poulsen, the free exchange of opinions within the group as well as with the outside world, which he says is one of the most decisive differences between Conservative Youth and other youth organizations. By way of example, he points to the attitude of Conservative Youth to the conditions in Central America:

"On the one hand, it is clear that we are opposed to any form of military dictatorship. On the other hand, we have got to decide whether it is better to allow El

Salvador to fall into the hands of a communist regime. For we know that that means mass murder of the population. If the United States stays out of El Salvador, the way will be prepared for Soviet garbage collectors. For the same reason, I have finally come to the conclusion that the United States committed one of its biggest mistakes by pulling out of Vietnam. That made it possible for a communist regime to cause more destruction than the former military regime. I feel that we, in the Conservative Youth Group, are ready to discuss these things back and forth, and that we do not merely have a definite position which one may look up in a party book."

This coming weekend, at a meeting at Vejen, a new, non-socialist peace movement will be established. Lars Poulsen says that the present peace movements are pervaded by left-wing people whose only goal is to weaken the West. He says that the only way to stabilize peace is through military strength, at the same time asking people to stage a broad popular protest against TV and radio, which, in his opinion, camouflage the real nature of these peace movements:

"In a democratic society, our only defense against those who want to undermine the democracy is a critical press. As things are now, one gets just as much out of viewing TV or listening to the radio as of reading the government organ AKTUELST."

7262
CSO: 3106/89

CP CHIEF: SOVIETS DENY SHIP ORDERS TO RETALIATE FOR SANCTIONS

Copenhagen INFORMATION in Danish 15 Mar 82 p 1

[Article by Vibeke Sperling]

[Text] "Danish-Soviet ship contracts have been postponed for political reasons," says the chief of the Communist Party of Denmark on the delay of the Soviet reply to the Danish offer for eight ships.

The Chairman of the Communist Party of Denmark, Jørgen Jensen, stated while in Moscow that the Soviet postponement of the negotiations with Danish shipyard people on the purchase of a number of ships from the Ålborg and Helsingør shipyards must be regarded as a retaliation for the Danish participation in the EC sanctions against the Soviet Union. The Danish-Soviet negotiations were to have taken place this week.

A delegation from the Communist Party of Denmark, led by Jørgen Jensen, and including, among others, Ib Nørlund, a member of the Executive Committee, and Ingmar Wagner, secretary of the Central Committee, met, last week, in Moscow with a delegation from the Soviet Central Committee, led by Konstantin Tjernenko, of the Politbureau. The meeting had been planned a long time ago, and the Danish delegation was, according to the original plan, to have carried on talks with the late Mikhail Suslovs. Tjernenko took his place as number two man of the power apparatus.

It is, among other things, against the background of these talks that Jørgen Jensen maintains that the postponement of the Danish-Soviet negotiations, which was previously described as a "technical postponement," has become a political one. In the opinion of Jørgen Jensen, Denmark is competing keenly with Yugoslavia for the ship orders, which are reported to be worth 1.5 billion kroner. Jørgen Jensen says that the delegation from the Communist Party of Denmark tried to "plead the cause of the Danish shipyard workers" and to placate Moscow with the argument that pressure was put on Denmark to join in the sanctions. The Soviets are said to have pointed out that it has weakened the credibility of the Danish-Soviet cooperation. It is, moreover, said to further the industrial interests within the Soviet Union, which would prefer for the small foreign exchange holdings to be used to build up their own production rather than on the purchase of expensive imports.

No question of Reprimand

On the relations between the two parties, Jørgen Jensen says that there are no fundamental disagreements. He was thus not invited to Moscow to be reprimanded, as was strongly hinted in the Danish press after an article in the daily organ of the Communist Party of the Soviet Union, PRAVDA, last week. In the opinion of the Danish delegation, the PRAVDA article was merely an expression of good preparations for the visit on the part of the Soviets. Two journalists had been sent to Denmark to write a report. The critical remarks on the most recent election defeat of the Communist Party of Denmark are said to have been taken from Jørgen Jensen's own talks on the subject, which he made available to the Soviet journalists. In reply to the question whether PRAVDA did not, at an earlier point, mention the election defeat of the Communist Party of Denmark, Jørgen Jensen says: "It is, of course, not long since we had an election."

The Danish party chairman goes on to say that the two parties share the opinion that the Polish state of emergency was justified by the interference from the outside of "imperialist forces," which wanted to pull Poland out of the socialist camp. Jørgen Jensen, however, goes to greater length than is usual from the Soviet side in pointing out that the Polish Communists' own mistakes and sins of omission made it possible. He also says that the Polish party has failed decisively, as far as the democracy in Poland is concerned. According to Jørgen Jensen, no clear ideas of the immediate perspectives for Poland were expressed during the talks. According to Jørgen Jensen, the party is still extremely weak.

Bitter on PCI

In a joint communique, the two parties stressed that they are extremely concerned about the problems within the International Communist Movement. Jørgen Jensen confirms that they especially had in mind the sharp criticism on the part of the Communist Party of Italy of the Soviet Union. He says that the rejection of the Soviet Union as the leading peace force on the part of the Communist Party of Italy, undoubtedly, is an expression of social democratization of the PCI.

7262

CSO: 3106/89

PHENOMENON OF YOUTH'S GRAVITATION TO RIGHT PARTIES EXAMINED

Copenhagen BERLINGSKE TIDENDE in Danish 21 Mar 82 Sec II p 2

[Article by Brita Stenstrup]

[Text] We cannot afford solidarity, says one of the young people in this study of the present gravitation of young people to right parties.

"The people seizing houses at Vesterbro ought to have their brains blown out. Give them tear gas!"

"I want to be a police officer, for I am aware of my social duty."

"I am going to join the trainingship Denmark and afterwards the Navy. For there one does not get fired."

"I want to be a cosmetologist, but I have better first take my higher preparatory examination* and get the best possible education. Employers look at things like that."

"I feel pressured to say that I am a Conservative, but, in my heart of hearts, I am not."

"One can still be a revolutionary even if one has got a short haircut and wears a tie."

"Those who are unemployed and do not want to work but only make trouble ought to know how well off we are today."

The above statements were made by young people who are 16-17 years old. Young people who shrug their shoulders at their parents' youth rebellion in 1968:

"What did you get out of it?"

The young people are gravitating toward the right. Employers say so. Teachers say so. The opinion polls say so. The Conservative Party Youth Group is jubilant at the number of young people joining their ranks. The young people say so themselves. There is something to it.

[Translator's note: HF = Højere forberedelseseksamen. This exam also gives access to universities]

Tenth graders at the Hendriksholm School at Rødovre are in full swing seeking workplaces or jobs as apprentices for the summer. They talk a lot about the importance of having a diploma to show their employers. "How can employers otherwise evaluate us? If there was no grading system, we would find other ways in which to compete," they say.

"Flower children do not benefit the society of today," says Christian.

Wenda blames her teacher, Michael Nielsen, for his efforts to democratize the education. "If you were a little stricter, you would get more papers out of us. Why are we not given notes to take home when we play truant or are late for school. I know that you find that we are capable of handling our liberty ourselves, but some of us are not, and they disrupt the instruction," she says.

"There is no pressure on the students from their parents," Michael Nielsen says. "It is the students themselves who want us to be stricter. It is easier to comply with rules and regulations than to practise democracy, and, now, they oppose the 1968 generation who rebelled for liberty."

"What did you get out of your rebellion?" they say. "We would also like to improve the society. But we give up in advance, for what do we get out of it?"

The 10th grade science students at Rungsted State School* are in no hurry and do not yet think of life after finishing secondary school. Lone, the rebel of the class, is the only one who wants to label herself as left-wing. "That is why I wear badges," she says. "It is necessary to tell people that we are afraid of rearmament and nuclear power. I am fearful of the sinister gravitation toward the right. I am afraid of fascism."

Her classmates admit regretfully that the young people probably are gravitating toward the right. "I gravitate a little toward the right to prevent a complete extremist gravitation toward the right," Morten explains.

Niels openly admits that he belongs to the conservative forces. He is not afraid of airing his opinions. "I am tired of listening to people saying that the employers are our enemies," he says. And Henrik adds: "Now we have been listening enough to people saying that it is only the workers who create the values. But it is the people with money who make the investments."

Anne says that young people are oscillating to find a position. "First, we gravitate a little to the left, and when the left has failed, we try to gravitate a little to the right."

Boys come to school with neat haircuts, wearing newly pressed pants and carrying briefcases. Young editions of ambitious junior Chamber members. They realize that they have to have fine grades in their secondary school diplomas in order to get ahead. The secondary school teacher says that the 10th graders can still afford to help one another with their homework. The 11th and 12th graders are watching one another. Everybody is the architect of his or hers own fortune.

*[Translator's note: state-owned secondary school]

A few years ago, it was difficult crossing the sidewalk in front of the Hendriks-holm School at Rødovre on account of the motor bikes of the students parked there. Now, there are five motor bikes left on the sidewalk. Times have changed. "The young people have become more careful how they spend their money. Now they spend their pocket money on clothes and savings. Not on motor bikes and certainly not on hashish and liquor," Poul Chr. Pedersen, principal of the school, says.

"Our older students are today freer and more independent in their thinking. At the same time, they are prepared to take the advice of their parents and the school. And if this school is typical, there will be no need for the increased discipline in the classrooms asked for by the Danish Teachers' Association. If anything, we need more teachers.

The crisis is hurting the liberal arts selectives. The selectives chosen by the students are computer science, chemistry and typing. Hardly any students choose music, pottery or drama.

Young people today seek the things which they believe will give them security, but even if I, of course, am an advocate of as much education as possible, it goes without saying that the claim that education gives security does not hold true," Poul Chr. Pedersen says.

Nevertheless, the statistics show that nearly all students at Rødovre have jobs after school. Poul Chr. Pedersen says that the phenomenon is due to the solid support of involved parents in a quarter consisting of 75 percent single-family homes and 25 percent neat apartment buildings. In addition, the highest cost per student in the country--23,000 kroner per student on an annual basis at Rødovre--and an integrated school system where the network is fine enough to involve even the weakest students. "While we experience a rebellion out of hopelessness at Vesterbro, we equip our young people to communicate with the trades and industries, and it is the young students themselves who focus on exams. They do not have it from their parents," Poul Chr. Pedersen says.

Look After Themselves

Sociologists are still unable to explain scientifically why Conservative Youth and Conservative secondary school students, who experience an enormous increase in their ranks, are so successful. Palle Svensson, who is an assistant professor of political science at Århus University, says that young people are receptive to the political ideas prevailing among the adult population. "When adults gravitate toward the right, young people will go even further to the right. The rate of gravitation toward the right will be more rapid among the very young students, who, unlike their parents, are not bound by regional ties, traditions or work. Young people have no social and political ties," he says.

Jørgens Nørgaard, owner of the fashionable clothing store in Strøget*, does not believe in the gravitation to the right. "The young people are apolitical, if anything. They look after themselves because they are convinced that they cannot change the society even if they wanted to. What we experience is some kind of narcissism. The days when young people wore the uniform of shabby jeans and partisan scarves and declared their solidarity with the labor movement are gone.

*[Translator's note: pedestrian street in center of Copenhagen]

The members of the Liberal Party Youth Group and the Conservative Party Youth Group today wear neat dark-blue pants and white blazers."

"There are two kinds of young people: the young people from the single-family homes, who demonstrate a higher moral standard and more gentleness. Young people who are anxious to find their own identity, and, then, the young people who gravitate toward extremist groups in a vacillating rebellion," Mogens Jacobsen, a psychiatrist says.

Rebellion Against 1968 Generation

"The former category is learning to play it safely in a time of economic crisis. It imitates the neat, active businessman. These young people seek security and are fearful what the future has in store for them. They are opposed to the youth rebellion of their parents and fear the terrorism represented, for example, by the Bader-Meynhoff group, and which destroyed the revolution. The young people are pulling back and suffice it to imitate things from the former generation which went well.

I regret this development because we approach a revolutionary phase with fascist law and order youth, on the one side, and rebellion from those who are being pushed farther and farther out of the society, on the other. We risk making caricatures of the right and the left, as we knew it from the thirties, if we do not see to it that the democratic dialogue is being kept up," Mogens Jacobsen says.

"We cannot afford solidarity or being involved with one another," said the Rødovre students when the teacher talked about solidarity.

"You who were young in the sixties merely made demands. We quite realize that we need to make an effort. We demand less and less," said Else, a 10th grade student at Rødovre.

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KOIVISTO POPULARITY CHALLENGE TO BOURGEOIS PARTIES

Helsinki HELSINGIN SANOMAT in Finnish 28 Mar 82 p 21

[Article by Juhani Aromaki: "The Dividing of the Bourgeois Estate"]

[Text] The republic is now marching to the tune of the Social Democrats, but the bourgeois parties are attempting to recover from the Koivisto-phenomenon and are assembling their ranks for the next parliamentary elections.

Is the fear of the Social Democrats the beginning of wisdom in the bourgeois camp?

In the last couple months Finland's political center and the Conservative Party have been settling accounts with themselves in President Mauno Koivisto's realm.

It is still almost a year until the parliamentary elections, but the Liberals' sudden undertaking to unite with the Center Party was the first step from words to deeds.

The Finnish bourgeoisie has a gnawing fear that there will be a long Social Democratic era if the mistakes made before the presidential elections are repeated.

President Mauno Koivisto arrived in good time at the Council of State on No 1 Snellman Street on Friday morning. Thus he had time to discuss the political situation with Prime Minister Kalevi Sorsa before his presentation.

After the discussion between these two important political figures a surprising decision was also announced in the president's presentation: the creator of the Social Democratic Party's large success in the 1960's, former party secretary, Governor Kaarlo Pitsinki of Uusimaa Province was kicked out of office.

Already as a presidential candidate Mauno Koivisto stated that the prime minister rather than the president will be the "general manager of the republic". This division of labor has held, and the prime minister has become the superminister of Finnish politics.

The 43.3-percent election support received by Mauno Koivisto has given exceptional impetus to the decisionmaking process even though the "low profile" policy will continue until the parliamentary elections on 20--21 March 1983.

Before the elections Mauno Koivisto needed the support of his party's chairman, and this he even received with patience from his comrade. This incurred a debt, which the president paid back in part immediately during the rapid emergence of a government solution.

The prime minister got his way and made the Center Party men face post-election facts. Many said that they left the government negotiations humbled. The Center Party fell into third place as a party wielding power, a position in accordance with its parliamentary support.

The president himself remembered to include industrialists in his trip to the Soviet Union. Several individuals who had conspicuously praised Ahti Karjalainen and had become accustomed to trips to the East now remained at home.

Even though two months is too short a time for evaluations, the Finnish bourgeois politician is following the president's and the prime minister's joint work with mixed feelings of apprehension. Even the former couriers of Tamminiemi [presidential residence] are afraid that history will repeat itself, and that one party will come under the "special protection of the president".

They are afraid that the president's dependency in foreign policy as well as domestic policy on his former party will become "alarmingly great". They apparently know from experience that in such a situation "the danger of the president becoming isolated and his channels of information becoming narrow" is real.

A party man who has been battered in the tumult of change laments: "In Finland the president has such a devilish amount of power that he himself must do something with it". This idea reflects the difficulties which people who have become accustomed to a different style of leadership in the 1970's are experiencing in March 1982.

Evaluation of Strategies

However, there is no time to lament the past in the bourgeois camp, the political center and the Conservative Party. An evaluation of strategies has already begun with respect to the parliamentary elections to be held in a year. Fear of the Social Democrats seems to be the beginning of wisdom within the Finnish bourgeois camp.

The bourgeoisie is faced with a harsh fact: even though the presidential elections amounted to a personality race, it seems that Mauno Koivisto's popularity will give the Social Democrats several percentage points even in the future. The party has the chance of obtaining a one-third quantitative minority in the parliament or 67 MP's.

Finland's election system favors the large parties, and the SDP can achieve its goals with a 30--31-percent support. The public opinion poll made public on commercial television on Friday predicted a 29.7-percent outcome for the Social Democrats.

The bourgeois camp knows what a quantitative minority for the SDP would mean. It would give the party a more dominant hold on Finnish politics.

In attempting to achieve a gigantic victory the SDP will have to give up its freedom of movement toward the left. Opinions were sounded out by publishing the party's communications policy report. It was considerably "more bourgeois" than previous party positions and, for example, supported cable television, but this policy line was lost in a row, which arose as a result of an objective to prohibit television advertising over the long haul.

The fear of a second consecutive victory for the Social Democrats has motivated the center as well as the right. Editor-in-Chief Jan-Magnus Jansson stirred up the political environs in the middle of March. Jansson's key words for the defeat of the bourgeoisie in the presidential elections were "disunity and a lack of credibility".

The professor delivered a speech at a meeting of the new Republic Society. The creation of this society is also a sign of an aspiration primarily to strengthen the center even though it also includes members of the Conservative Party. The society's chairman is the Center Party's enterprising Trade and Industry Minister Esko Ollila.

In Jan-Magnus Jansson's opinion the bourgeoisie was guilty of a number of real mistakes in the presidential elections: an honest discussion was avoided, they became entangled in illusions, and an intellectual and political readiness for change was entirely lacking.

A Surprise Invitation

What does the Finnish bourgeoisie intend to do before the parliamentary elections in order to oppose a Social Democratic landslide?

Center Party Chairman Paavo Vayrynen smiled for the first time in a long time when he arrived at the Hotel Helsinki on Wednesday.

The party's governing body has experienced many difficult moments in this place since last September when the Center Party ceased in fact to be the "president's party" because of President Kekkonen's leave of absence. A humbling situation after 26 years.

The foreign policy discussion connected with the nomination of the party's presidential candidate was a distressing defeat for the party leadership, which has regretted even these setbacks in the Hotel Helsinki. This discussion will continue until the air is finally cleared at the party congress in Rovaniemi in the middle of June.

But last week Paavo Vayrynen was freer. He could announce in the presence of Chairman Jaakko Itala that the Liberal Peoples Party will join as a member of the Center Party.

The sudden proposal for an agreement, on which the finishing touches have not yet been done, came at an important time for Vayrynen, who has been experiencing hard times. In a week he can go to his district meeting with a small feather in his cap. The success of this venture is not merely for personal benefit, but it will also give additional power to the Center Party.

In the opinion of Liberal leader Jaakko Itala "the voice of the Liberals can be made stronger by this courageous decision". This vision will be considered at the party congress in Joensuu in June.

The efforts to unite the center are a recognition of the facts. The creation of a centrist delegation a year ago was an important phase in assembling the forces of the center parties. The Swedish Peoples Party will, of course, retain its right to self-determination, but the party is an important link in a centrist union even with looser ties. The next group to join could be the Christian League, at which time the center could with joint efforts retain its position better in the press between the political left and the Conservative Party.

Deliberators

The Center Party has considered the reasons for its declining positions in places other than the Hotel Helsinki. Even though the party received the customary numerical results in the electoral elections, internal power relationships have changed.

Paavo Vayrynen has had time to deliberate his own future as well as that of the party. It was been weighed together with writer Jouko Tyyri, Professor Ilkka Heiskanen as well as Professor Reijo Wilenius, among others.

The lack of credibility has continuously arisen as the key question. Parliamentary faction leader Mikko Kaarna's statement is to the point: "The Finnish language in our party no longer means that what is said".

This crisis must first be cleared up within the Center Party. The chairman has had to listen to long prescriptions for cures. In a roundabout way it has also been given to understand that the party leader, who was badly defamed last fall, should be replaced.

It has been annoying for the chairman that Johannes Virolainen's election organization was only recently dismantled. With ready-made contacts it can be quickly used as a weapon if desires to replace the chairman are found in district meetings.

In a feeling of power it was even said in the parliamentary faction at the presidential election meeting in Kuopio already that the absolute condition for continuing with the same chairman will be "to make the party leadership

and rank and file oppose one another". According to this, even the chairman should "turn against his own or this k-group".

Even if Paavo Vayrynen were to come out of this situation unscathed by abusive statements, the alternative names of Chairman Heikki Haavisto of the Agricultural Producers Association and Social Affairs and Health Minister Marjatta Vaananen will be mentioned many times at the district meetings to begin soon. Finance Minister Ahti Pekkala's firm stands in the making of the president have decreased his support.

A Bourgeois Government

Only after the Center Party has clarified its situation will the whole bourgeois camp be able to consider a bourgeois government. It has been given serious consideration if the center intends to "retain its position as the center and not as the caboose on a leftist train".

The multiplicity of the Conservative Party's parliamentary faction is a problem for the Center Party. There continues to be deep distrust and a lack of desire in the party to approve of the Conservative Party in its entirety as a partner in cooperation. The Conservative Party, on the other hand, will not approve of the adopted social policy as Finland's second largest party.

Finland will be experiencing a pre-election period of 1 year, which could be a period of transition. The results of the parliamentary elections will determine whether the political conditions will arise for new kinds of alternatives even at the government level.

The SDP considers the inclusion of the Conservative Party in the same government as "primarily theoretical" and soon intends to test its chief opponent's desire for reform with respect to the constitution, the organization of an environmental administration, and policy questions concerning taxation.

The Conservative Party will not participate in the election alliance ventures of the center parties, which the small parties form out of a fear of defeat. Frequently the large party bears the financial burden in an election alliance. The Conservative Party will remain the large independent party in the bourgeois camp as long as the center, which is assembling its ranks, "is able to obstruct the left by its own forces", at least until the next elections.

The Conservative Party dated the first 1983 election instructions sent out to the rank and file for 4 February already. In these papers the "secret" of the success of the Koivisto-phenomenon is outlined in all simplicity: people take a negative attitude toward politics and are afraid of strong ideological emphasis so that Mauno Koivisto as a nonpolitical person offered a way out.

Even though there is no need for as many reforms as there was in the 1970's, the political right perceives the strong desires and need of the people for changes in their personal lives as well as in the government.

The Conservative Party, which has been an opposition party for 16 years, is now attempting "to ride the wave of the desire for change" on the part of the people.

TOUGH COMPETITION SEEN IN STRUGGLE FOR CP LEADERSHIP

Helsinki HELSINGIN SANOMAT in Finnish 25 Mar 82 p 21

[Article: "Stiff Competition for FCP Leadership Positions"]

[Text] There will be stiff competition for Chairman Aarne Saarinen's place in May when the Finnish Communist Party assembles for its extraordinary congress to do housecleaning in its leadership. Saarinen has announced that he will not continue under any circumstances. In Saarinen's opinion it is clear that Vice Chairman Taisto Sinisalo's time in the party leadership is also over.

The SKP leadership will change at the extraordinary congress in Helsinki on 14--15 May. The extraordinary congress was chosen for the reason that at the regular congress last year there remained many unresolved questions. A significant portion of representatives to the party congress would have wanted to eliminate Saarinen and Sinisalo from the party leadership at that time already. The poor showing of the Communists in the presidential elections has provided additional impetus for the demand that the party leadership be changed soon.

Saarinen himself was ready to resign in 1983 when he will also leave the parliament. As the internal conflict in the party increased and the pressures grew Saarinen reconsidered and decided to give up his post this summer already. Saarinen has stated that he has also made his unconditional decision known to the Soviet Communist Party.

Saarinen justified his resignation by his age -- he is 68 years old -- his long term in office, and by the fact that together with Sinisalo he has become a symbol of division in the party.

He hopes that his successor will have better success in restoring unity to the party. Saarinen has been SKP Chairman for 16 years.

He came into the leadership of the SKP from the chairmanship of the Construction Workers' Union. Saarinen's own favorite for the new chairman of the SKP has been First Secretary Arvo Aalto, who however, does not have the undivided support of the SKP's rebellious majority.

Successor Being Sought

It is expected that the new leadership troika of the SKP will be found from the following names: First Secretary Arvo Aalto, Chairman Aarno Aitamurto of the Construction Workers' Union, former district secretary Osmo Buller of Oulu, administrator Maija-Liisa Halonen of the Metal Workers' Union, MP Arvo Kemppainen, and MP Mikko Ekorre. Aalto and Aitamurto are competing for the chairmanship. Buller has been designated for the first secretary's post, Halonen, Ekorre, and Kemppainen for vice chairman.

Many combinations of names are being mentioned. For example, the SKP's Jyväskylä District has already proposed that Aitamurto be elected chairman and Labor Minister Jouko Kajanoja be elected first secretary. However, in many districts Kajanoja is considered to be too inexperienced as an organizer. Also SAK [Finnish Confederation of Trade Unions] Second Chairman Olavi Hanninen has not been completely eliminated from the running. Communications Minister Jarmo Wahlstrom's name has come up in the nomination of candidates for chairman.

Sinisalo's Position to be Eliminated

If the plan of the rebellious members are realized, the SKP will completely eliminate the position of second chairman, Sinisalo's position. It would no longer be filled at the extraordinary congress. It is expected that changes in the Central Committee and the Politburo will be more extensive than just at the top. Drastic changes in the Central Committee and the elimination of Sinisalo's position will force the nucleus of the minority grouped around TIEDONANTAJA to reconsider the establishment of a new communist party even though it would remain a rump party.

The districts of Turku and Uusimaa, which have promoted the strictest minority line, have already made preparations for the party's dissolution with economic arrangements.

If strict positions are resorted to at the congress in May and the party splits, the MP's belonging to the SKP's Taistoite faction will have very few chances for retaining their seats in the parliament. The Taistoite MP's have even sounded out their chances for getting back into the SKDL [Finnish Peoples Democratic League] parliamentary faction, from which they were expelled because of insubordination. There are presently 11 Taistoite MP's.

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CSO: 3107/95

BRIEFS

STALINISTS ISSUE SEPARATE PROGRAM--The leaders of the Taistoite wing in the Communist Party have compiled their own theses on the party's future for the SKP congress. SKP Politburo members Taisto Sinisalo, Urho Jokinen, and Seppo Toiviainen presented their views today in TIEDONANTAJA. The Taistoite leadership attacks the present leadership of the SKP and is looking for support from a letter sent to the SKP by the Soviet Communist Party. The CPSU criticizes "tendencies" in the SKP which attempt to denigrate the CPSU, real socialism, and relations between the CPSU and the SKP. According to the CPSU "the matter has gone so far that anti-Soviet attacks are made in certain SKDL publications, in KANSAN TAHTO, for example". Editor-in Chief Into Kangas of KANSAN TAHTO as well as MP Arvo Kemppainen are attacked in the article by Sinisalo, Jokinen, and Toiviainen. First Secretary Arvo Aalto is accused in practice of promoting the social agreement doctrines of the EVA [Commission on Commerce and Industry]. According to the Taistoite leadership there is a danger that individuals who question socialism in theory as well as in practice will be elected to the leadership of the SKP. In this respect the Taistoites are referring to Kemppainen. In the article by the Taistoite leaders it is stated that attempts are being made in the SKP to prevent the participation of CPSU representatives at the party's extraordinary congress in May. [Text] [Helsinki HELSINGIN SANOMAT in Finnish 25 Mar 82 p 9] 10576

PSF VIEWS, POLICY ON CLASS STRUGGLE, MARXIST IDEOLOGY EXAMINED

Class Struggle

Paris LE MONDE in French 2 Feb 82 pp 1, 9

[Article by Jean-Marie Colombani: "The Socialists between 'Rupture' and 'Compromise'"]

[Text] What has happened to the "cold civil war?" Just 3 months ago, amid all the noise and furor unleashed by the Socialist Congress in Valence, nobody would have believed that he would ever see this kind of ghost. At that time there was talk of a possible radicalization of the government: the opposition attacked it in advance while the socialists presented it as a threat.

Since then, the atmosphere has become calmer; now the time has come for that same opposition to become radicalized. The recent meeting of the RPR [Rally for the Republic] in Toulouse was the first official manifestation of this hardening. The ground had been prepared, if one may say so, by the men close to the RPR chairman, such as Jacques Toubon. The deputy from Paris, who was given the thankless task of stepping up this effort whenever possible, believed it necessary, for example, to liken Mr Mitterrand's socialism to a "cancer that eats away at our economic forces." While they opposed the Giscardians, the Chiracians rather resembled both cancer and unemployment.

The obvious failure of the socialists in the 17 January legislative byelections undoubtedly confirmed the idea of the leaders of the former majority that they are on the right track. This went so far that the election agreement, concluded with a view of the cantonal elections between the RPR and the UDF [French Democratic Union], bears the mark of this radicalization. In the joint document drafted on 27 January by Messrs Pons and Pinton, the socialists are accused of wanting "to place society in their service, rather than to serve it" and of having the goal of achieving "domination" of that society and exploiting the country as a whole. In other words, there is no field of government action which escapes criticism.

The RPR's new guiding idea is to replace the traditional split between the left and right with another split that, according to Mr Chirac, would line up the "Republicans" on the one side and the "Marxists" on the other side. Everything is happening as if the objective of the supporters of the mayor of Paris were--while maintaining that freedoms are in danger--to persuade public opinion to cast doubt upon a government that supposedly would be incapable of assuming republican legitimacy.

This increased polarization is furthermore reflected in the public opinion surveys; according to SOFRES [French Opinion Polling Company], 48 percent of the persons questioned consider Mr Mitterrand to be the president of all the French, whereas for 46 percent he is the president of those who voted for him (LE MONDE, 29 January). It is thus clear that, in public opinion, the electoral climate existed even before the country went into a new pre-election phase with the preparation of the cantonal voting.

This climate gave us a very colorful spectacle. As for the spectacle itself, there were, as a matter of fact, the verbal clashes which marked the first regular session of Parliament during the new 7-year term. This oratorical jousting came close to invective and undoubtedly, on both sides, was marked by culpable intolerance.

But among the spectators--and this seemed even more important--there was a change in the leadership of the employers as illustrated by the second meeting between Mr Mitterrand and Mr Gattaz. This introduced a certain easing in the government's practical procedures emerging in terms of a social compromise--even though the language of the left has always been and remains that of the class struggle.

One should not be surprised that the class struggle henceforth is a notion with which one must familiarize oneself. By losing its hold on the government, the right damaged the fraction of the bourgeoisie which had governed France since the advent of Gaullism. In taking over the government, the left first of all intended to represent and satisfy certain social forces which are grouped within a "class front"¹ which is so dear to Mr Jean Popere. "Committed to the class struggle, we are on one side, not on the other," said the man who at that time was the first secretary of the PS [Socialist Party] (26 November 1978 Mitterrand speech to the party's national convention).

Amid the euphoria of victory, it was thus astonishing that the class struggle did not somehow get into the Assembly. Especially since other factions helped escalate it--some of them larger and others smaller.

Among the former we have the fact that Mr Mitterrand built the PS on the basis of a simple idea: it is necessary "to win the terrain of the Communist Party," according to the expression which he himself had used at the 1971 Epinay-sur-Seine Congress.

In the opposition, and in government as such, the socialists therefore must not leave any free ground on their left. Now, if there is one topic that makes it possible for them to mark their position, if not to "anchor" themselves on the left, that is the topic of the class struggle. This will furthermore be done all the more easily if one claims to subscribe to Marxism (which is true of Mr Pierre Joxe, among national leaders, for example), even if that happens within a party which, according to its premier, "is not Marxist."

With this observation in mind, one must thus distinguish (although this does not eliminate the split among groups within the PS) on the one hand between those who subscribe to a traditional Marxist concept, in other words, those who consider parliament as a stage devoted exclusively to the denunciation of the class enemy; on the other hand, we have those who give preference to the republican tradition and who are mostly concerned with exercising the prerogatives which the institutions

grant them. They undoubtedly are the more numerous. But there are other factors involved here and they can explain the success of a Marxist phraseology.

The socialist delegation in parliament for the most part came from the Mitterrand current (or ex-current); they are for the most part men who were born in the party and who were educated in one idea--the union of the left--which they had to defend against the offensive of the right and a portion of the left, more openly social-democratic, before being able to impose it upon the Communist Party. This is why they followed the slogan "hold fast" for 2-1/2 years between the April 1979 Metz and the October 1981 Valence Congresses.

From the Political Arena to the Assembly

This militant formation has especially great influence on the various ways of behavior since a considerable number of the newly elected representatives did not have time to become outstanding individuals. This is an unprecedented situation in the Fifth Republic, a regime based on distrust toward Parliament; the deputies have had a really continuous session since September. Plunged without transition from the election arena into the parliamentary semicircle, they somehow managed to prolong the presidential and legislative campaigns.

They are obviously tempted to prolong them especially when there is a decision by the Constitutional Council which they analyze in terms of the class struggle. Thus, commenting on the decision of the nine "wise men" in the Palais-Royal, the executive office of the PS announced on 20 January that, in its eyes, "the financial interests seemed to have prevailed over the sense of the national interest."

This discourse of the class struggle must not make us forget that the important thing for the new administration is to lay the foundations of a "compromise" between the forces of labor which are now in power and those of capital; the current phase is not a phase of "rupture" with capitalism but of the development of a "society with a mixed economy" and a "contractual government" according to the expressions used by the head of state. The most important thing therefore is to make up for lost time in the matter of social progress in comparison to the European social democrats, to take into account their difficulties and rapidly to transform progress into the overall gains of a society so that they can never be balanced again by an opposition which has once again become a majority.

The terms of this compromise are simple. On the one hand, the left above all sacrificed its own symbols: nationalization of some monopolies, modest tax on property, moderate extension of the rights of the workers; on the other hand, it has offered the economic actors not only the continuation of the existing advantages but an increase in aid of all kinds to revive growth.

It really did not hit the interests of its class adversaries except in one field: the nationalization of credit.

Under the Fifth Republic, parliament was not the place where compromises were hammered out. It is thus easier to pose problems there in terms of confrontation. Having to look for a new social consensus is tantamount to the sociological redistribution of candidates as socialist representatives: the PS in effect is a party of the middle classes around teachers who hold a dominant position². Are the

socialists of today wearing the boots of their predecessors of 1947 or rather of 1956? It is true that Guy Mollet affirmed his loyalty to the "dictatorship of the proletariat."

To rule out this kind of rapprochement, it suffices to re-read the speeches delivered by Mr Mitterrand so as to measure the permanence of his objective and to find that the 7-year term beginning on 10 May has every chance of being a term of promises kept. This is why the socialist leader constantly asserted that the thrust of the policy he wanted to implement resided in the "social appropriation of the major means of production and credit." "Regardless of the technique employed to carry out nationalization," said, "everybody must be guided by this principle: the government is based on property; property is the government. Failing to apply that law would be tantamount to renouncing the construction effort"³.

The threat of a "radicalization" of the administration today seems to have vanished. But that does not mean that the logic of confrontation will not be resumed topside--if only because certain socialist officials, and not the least of them either, are ready to turn it into a threat, as happened during the Valence Congress and following the legislative byelections; also because the reactions of the opposition to the nationalization program shows that the change in power was not only political but also and above all cultural. The reasons for quarrels initially thus were determined much more by ideology than by the reality of a reformist policy which on top of everything else was moderate. It is thus interesting to review the arguments which were exchanged in such a lively fashion by the majority and the opposition during the first few days of the big change.

FOOTNOTES

1. The "class front," defined in the motion submitted by Mr Poperen to the Epinay Congress, is based on the idea of growing solidarity between all wage-earning strata. It discards, as being outdated, the notion of a "worker vanguard" so dear to the PCF [French Communist Party] and the idea of the "new" vanguard "stratum," put forward by the (Rocardian) modernist left.
2. This is shown clearly in the study by Alain Fuede and Serge-Alain Rozenblum in the October-December 1981 issue of REVUE FRANCAISE DE SCIENCES POLITIQUES. Another illustration of this consists of the difficulties encountered by the representatives of the working class--such as national secretary Marcel Debarge--to advance in the party hierarchy.
3. Speech to the Socialist Party's National Convention on 26 November 1978.

Political Confrontation Analyzed

Paris LE MONDE in French 3 Feb 82 p 7

[Article by Jean-Yves Lhomeau: "Socialists--the Worker 'Guts'"]

[Text] The new administration is trying to lay the foundations of a "compromise" between the forces of labor and those of capital (LE MONDE, 2 February). This does not prevent many socialist representatives from continuing to analyze the political confrontation between the right and the left in terms of the "class struggle." Some of them experience that directly. By virtue of their social origins, they are the "guts" of the worker movement.

"At last, the class struggle has entered Bourbon Palace!" This is how Mr Andre Laignel, the socialist deputy for Indre, rejoiced during the night of 20-21 October at the height of the debate on nationalization.

One of his colleagues, Mr Michel Berson, the socialist deputy from Essonne, had just unleashed the opposition's furor by bringing up the presumed family links between Messrs Roger Frey, Couve de Murville, Michel Debre, and certain industrial or banking circles. Mr Berson had carefully investigated the blood lines and had shaken the family trees (LE MONDE, 22 October). Disavowed by Mr Francois Mitterrand several days later, he then made honorable amends.

But the fact remains that his analysis--which is very ordinary but awkwardly illustrated--is shared by his socialist friends. According to them, the right defends the big private interests, the class interests. To the extent that "socialist nationalization is a class act"--as asserted by Mr Pierre Joxe, chairman of the socialist delegation in the National Assembly--there is nothing really here to make so much fuss about.

The trouble is that the opposition challenges this analysis, in other words, it denies that it defends private interests or represents one social class rather than another. For it, the class struggle is part of the socialist mythology. But it so happens that now that the left is in power, all the talk in the National Assembly revolves around it now, with the Assembly considered to be "a club where one exchanges civil remarks," according to the terms used by Mr Jean-Paul Planchou (PS, Paris).

This political expression of a social reality is rather surprising. When it was in power, the right did not make a big deal out of this. When the communists and socialists raised the issue of the class struggle in Bourbon Palace, that seemed to it undoubtedly to spring from a simple ritual without any consequences. Today, its representatives no longer understand that. "At the ENA [National School of Administration], I was further to the left than Jospin," huffed Mr Jacques Toubon (RPR, Paris) while listening to the Socialist Party's first secretary say: "By virtue of my family ties, by virtue of the tradition in which I was raised, I feel linked with every fiber in my body to what is called in France the worker movement or the working class. That is my guidepost!" Mr Maurice Couve de Murville was rather astonished that all it took was a legislative election in order so profoundly to transform his little parliamentary world. He would like to have Mr Pierre Joxe supply him with some explanations: "What then is the class difference between you and me? What is the class difference between you and your father¹ who, 50 years ago, after attending the Sorbonne, pursued the same career as yours truly?" To which Mr Joxe replied: "Membership in a class is an objective fact; one is born into a family! The choice of class is an individual act."

Mr Jean Foyer, the former keeper of the seals, boiled the significance of the attacks, whose target he was on the party of Mr Laignel, down to the manifestation of a spirit of revenge. Both of them are lawyers. "This time the assistant instructor is indulging in the pleasure of making fun of a full professor. That smacks of psychoanalysis," he said.

Spirit of Revenge

Spirit of revenge? All Mr Laignel had to do was to come out with the same kind of thumbnail sketch as Mr Foyer. "I am the son of a streetsweeper and a cardboard maker; I am a deputy, a General Council member, president of the General Council of Indre, mayor of Issoudun, and one of the top officers of the Socialist Party². I am not a frustrated individual. I played politics. I have no need to take revenge upon life." Mr Laignel does not understand "the refusal of the right to realize that it is defending a certain type of interest." When he tells us "the class struggle does not exist and that I remember the years when I worked," I say "excuse me, gentlemen, I have heard that song before."

Forced to interrupt his studies because of lack of money, Mr Laignel, the present champion of the class struggle in the socialist delegation in the National Assembly, knows what he is talking about. At the age of 14, he "pushed little carts in the basements, in the archives of the National Accounting Office in Paris." Fired at the age of 15 because, as he tells us, he distributed tracts at the exit from the bank, he became an electrician's apprentice, a messenger for an exchange office, a man drawing unemployment insurance, a file clerk, a clerical employee with Social Security and, on the side, an instructor in child welfare.

His father had joined the Communist Party and his mother was a CGT [General Confederation of Labor] union delegate. Andre Laignel himself had gotten his first union membership card (CGT) at the age of 14 and was a militant in the ranks of the PCF until the age of 21. So, let not the right tell him that the class struggle and labor union repression do not exist! He is sure that the opposite is true because he experienced both of them. It matters little to him whether people call him a "mongrel" or a "revenge-monger." Considering his past record, nobody would deny him the right to say what he thinks because he has experienced it all.

Mr Laignel has intellectualized his worker "guts." They are something like what they are in the socialist delegation where, according to the official statistics of the National Assembly, there are six workers and four white-collar employees out of 284 deputies (including the left-wing radicals who are related to the delegation). Whereas the communists, out of 44 deputies, have 15 workers and five white-collar employees. Who would dare reproach Mr Nicolas Schiffler (Moselle), 45, a fitter in the steel industry, for getting carried away when he talks about the rights of the workers and especially--a subject close to his heart--about the right to stop a production line when there is a risk of accident?

Mr Rene Drouin (Moselle) has taken a certain degree of pleasure--he says--in bringing out the bill on the nationalization of the steel industry. "The right," he says, "is reviving it now so as to deny an ideological debate whereas, out in the field, in point of fact, everything indicates that the class struggle does exist and continues to exist." His grandfather was an iron miner. His father, a steel industry maintenance worker, a communist militant, a CGT union leader, "suffered repression on the job."

Fired from the Wendel Group in 1936, "he had to join a road repair gang" and then, during the 1950's and 1960's, because he could not put in any overtime, "which as a rule was reserved for those who were not unionists," he had to improve his monthly earnings by working for a coal dealer. Mr Drouin, 38, who voted communist until

1968 and then joined the PSU [Unified Socialist Party] (the events of May 1968 and the Soviet invasion of Czechoslovakia came at that time) before becoming a militant in the Socialist Party in 1975, noted that, without the coal merchant, his father would not have been able to pay for the Holy Communion of his only son.

Although he became a professor ("a little prof" without a university degree), Mr Drouin retains a very strong class conscience. He nurtures it in his own district. Recently he talked to the owner of a small business in his district (the 3rd in Moselle) who, according to him, refused to pay the 13th-month wage, having granted only 6 percent in wage hikes in 1981 and refusing to do better except if the government would relieve him of that "labor unionist vermin." So, the class struggle does not exist? Especially since, as Mr Drouin remarked, the employers today are going out into the streets themselves.

Mr Philippe Marchand, a deputy from Charente-Maritime, was also struck by this phenomenon. Employers carrying signs--that indeed is something new! "When the employers go out to demonstrate, you have a class struggle. When the workers go out to demonstrate, that is done out of habit," he said. And when a lawyer, who makes good money, becomes a socialist deputy, that is also something new, especially if he is the son of an avowed "former right-wing mayor." "Sociologically I belong to one class and politically I belong to another class," says Mr Marchand. This is a funny kind of drama for a bourgeois who became a member of the clan of the "Damned on Earth."

FOOTNOTES

1. Mr Louis Joxe, father of the chairman of the socialist delegation in the National Assembly, former deputy, member of the Constitutional Council, was minister for national education, for Algerian affairs, for government reforms, and for justice under General de Gaulle.
2. Mr Laignel is the national secretary and treasurer of the PS.

5058

CSO: 3100/449

POLITICAL

GREECE

KKE OPPOSES BACKING SPAIN'S NATO MEMBERSHIP

NC142137 Athens RIZOSPASTIS in Greek 14 Apr 82 p 1

[Statement issued by the KKE Central Committee Political Bureau]

[Text] In a statement by the prime minister himself, the government stated that it unreservedly supports Spain's application for admission into NATO--an application that has been forwarded by the Spanish Government without the approval of the Spanish people and contrary to the will of the people's democratic forces.

The KKE Central Committee Political Bureau stresses its full opposition to this government action.

By approving Spain's admission into NATO, the government is endorsing a clearly bold war action that strengthens this aggressive military bloc in the Mediterranean and Europe and assists the incendiary U.S. plans at the expense of detente and peace. The government action is radically contrary to its declarations regarding the outstripping of military blocs and the relaxation of tension in our continent.

Moreover, Spain's admission into NATO strengthening the positions of the Atlantic Alliance undermines the promotion of national interests, which are opposed by this imperialist bloc, and makes difficult the Greek people's struggle to free our country from NATO's chains.

The KKE stresses that as long as our country is in NATO, there will be no room for the securing of its independence so that it may follow a firm policy for the defense of national interests and peace. By continuing to move within the Atlantic Alliance's framework, the government is undertaking heavy responsibilities toward the Greek people.

[Signed] The KKE Central Committee Political Bureau

[Dated] 13 April 1982

CSO: 4621/285

TERLOUW DEFENDS HIS, D'66'S POLITICAL COURSE

Rotterdam NRC HANDELSBLAD in Dutch 13 Mar 82 Supplement p 3

[Report on interview with Vice Prime Minister and Minister of Economic Affairs Jan Terlouw by Marc Chavannes: "Terlouw in the Opposition -- Do You Feel You Have Done Well? Yes, Very"; date and place not specified]

[Text] Jan Terlouw is fed up with being blamed for everything.

He feels that a minister should leave party politics to parliament, but has found that he will not be allowed to do so.

In this interview he responds to his critics from the VVD [People's Party for Freedom and Democracy], the PvdA [Labor Party], the press and "The Irresistible Advent."

"I have only one explanation: the attack is in everyone's interest. The D'66 [Democrats '66] is a threat to all the parties, especially to the VVD and the PvdA. And that is where it is coming from. Whatever those parties may disagree on, they agree on one thing: the D'66 has to be caught. And what is the best way to do this? By catching the man who has represented the party for years..."

Jan Terlouw was back at "his" ministry in the Hague, after having spent a couple days at home with the flu. He spoke very quickly in his working room, which has the inevitable cosiness of a management mausoleum. Not broken, but perhaps hurt by the stream of negative reports on his performance at the Ministry of Economic Affairs. He was not very enthusiastic about it at first, but now he wants to give a response.

"Members of the D'66 whom I meet, see this as a natural phenomenon. When you win nine seats -- unheard of in Dutch politics -- then you have to be punished. Then you call in opposing forces, some of which operate in a rather Machiavellian manner: the end justifies the means. Apparently, a great deal is allowed in politics. I don't think that is right."

"What saddens me so much in all this criticism is that I don't learn anything from it. Some of the media don't even bother to indicate where my policy is

wrong. Everyone could find a civil servant and get him to talk anonymously, but it remains nothing but rumors; besides, I get along very well with my civil servants."

[Question] You feel that you have done well?

[Answer] Yes, very well. This was also proven in the House. During consideration of my budget, not a single real point of criticism remained standing. I was most vulnerable in the Shell/Esso matter. I can easily imagine that socialists would think differently about this. And yet, I have the feeling that most people in the Netherlands feel that I handled the question of the natural gas profits correctly.

You could say that the criticism is directed toward the manner in which I did it. Which was by mostly being silent while the others talked. Perhaps I should have pushed back just as hard. I didn't do that because I believe that ministers in a coalition administration do well to say something only when it is in the name of the administration. The cabinet would function fantastically if every minister were to limit himself to this. This means that to a large extent you leave party politics to parliament, where it belongs.

This is probably a little too right. So, I will digress a little from this line of behavior in the future. Because I am beginning to be fed up with being blamed for everything that goes wrong, because I don't speak for myself but for the administration.

[Question] A kind of vacuum has been created around the D'66. Did you think that you no longer were the party leader?

[Answer] Yes, of course I was, but I didn't want to manifest myself as such. Normally it is the parliamentary party president who is party leader, but apparently it is not possible to quickly push aside someone who has led the party for 8 years and who is still actively involved in politics. The media cannot tolerate this well.

In addition to being minister, Terlouw will once again distinctly act as party leader: "Not in the least because Laurens Jan Brinkhorst does not do a good job. He is as active as possible. But because such a role shift apparently cannot be carried out that quickly."

"Perhaps I should have recognized earlier that this would happen. I have been in politics for 10 years; so, I did expect something. But that it would reach back to me to such an extent, that it would turn into a kind of attack, that has really disappointed me. Besides, I am not at all interested in having a terribly defensive story in the paper, you know."

[Question] I want a story in the paper which tries to find out why, within 5 months, a vice prime minister, who with his party won 17 seats in the House, is depicted as an egg in cartoons.

[Answer] That will pass. According to the public opinion figures, nothing is going on.

[Question] What gave you the courage to want this ministership?

[Answer] I was convinced that I could do it well. I am still convinced of this. Besides, people always talk as if I had insisted on this ministry, but the truth is that I did not ask for it even once during the formation. The other parties simply offered it to me, which I found very courteous. They knew I was very interested in it. The Ministry of Economic Affairs is the department from which the recovery can at least be started. Terribly difficult, but I find Joop den Uyl's task much more difficult. To create jobs while you are at a structural low, that is a virtually impossible task, or at least unimaginably difficult.

With the approach of the elections in the states, VVD parliamentary party leader Wiegel regularly expresses the opinion that the Ministry of Economic Affairs is difficult enough for Terlouw. As he did last week at a VVD meeting in Hoogeveen.

There Wiegel blamed Minister of Economic Affairs Terlouw for the fact that the economic growth is going more than completely to the public sector, at the expense of the private sector. Terlouw remarked on the subject: "The truth is that over the last 4 years the public sector has increased nearly twice as much as it will in 1982."

Wiegel: our natural gas is being used at an accelerated rate. Terlouw: "That was arranged in the agreement reached by the 'informateurs' Habberstadt and De Galan. Furthermore, it can be defended on the basis of reduced natural gas profits and as a contribution to force the price of electricity for business and industry down a little."

Wiegel: WIR [Investment Account Bill] funds (investment contributions) of the Ministry of Economic Affairs are being transferred to the Ministry of Social Affairs' jobs plan. Terlouw: "For parttime labor in the /market/ [printed in italics] sector." Wiegel: investments will reach an historic low in 1982. Terlouw: "It is really unbelievable. In 1982 the growth of investments is zero percent. In 1981, under VVD Minister Van Aardenne, the growth of investments was -10 percent. I takes gall."

[Question] You are a little surprised, though, about so much wickedness in politics.

[Answer] Well, not really. I am surprised about some people, such as Wiegel, who shamelessly try to damage a certain person, without having any real facts. I find that so incredibly unliberal, so "beyond the limits."

If I were to do that, my electorate would not stand for it. During the last parliamentary election, I carefully spoke scornfully about 10 percent of what he did. But when it was all over, a branch of the D'66 said: you shouldn't have done that. My electorate is much more liberal in terms of state of mind and of attitude to life. When you see those tactics, you begin to doubt seriously the extent to which Wiegel himself is liberal. He probably thinks that they produce electoral gains, but that is a conservative electorate. It matters to me whom I represent.

[Question] The PvdA also. You would like to see them land in a tight corner.

[Answer] I should think so... (long silence) ... whether it is to their advantage.

[Question] Why are you still maintaining the myth that you work so well with the leader of the PvdA?

[Answer] Because it is true. (Laughed with his very blue eyes). That is really true!

[Question] I have never met anyone who confirms this.

[Answer] Joop and I still have to exchange our first harsh word.

[Question] When it is said that you become tense when Den Uyl takes the floor in the Council of Ministers, and that you then virtually no longer participate in the discussion, is that all pure invention then?

[Answer] This may have been somewhat true in the fall, because I cannot stand discursiveness, but in the personal area... go ahead and ask Den Uyl whether we speak harshly to each other. Yes, of course, we regularly argue about the macro-economic policy. There are differences of emphasis there, to put it mildly. In terms of contents we are often at odds. It is a bitter pill for the PvdA to swallow that they cannot get us where they want us.

[Question] What are, from a socio-economic point of view, the most important differences between you and the PvdA?

[Answer] They are related to the analysis of the origins of the current crisis and to the resulting measures which have to be taken. They are reversing themselves a little, but up to now I have felt that they had a strong Keynesian approach, the stimulation of spending in order to get the ball rolling again. Every administration, formed by serious parties, will have to act now. Whether they are of the left, the right, or the center. And in spite of the unpleasant immediate consequences. Specifically, at first you will destroy jobs. A small percentage, but all the same. You will not immediately create jobs. But if you don't do it, then you will have to take even stronger action next year.

[Question] And what are the differences with the VVD?

[Answer] That party didn't do anything during the last administrative period. Take the recovery of the market sector. That is not specifically a leftist issue. They did talk about it all the time, but during the three Specifications years investments dropped an average of 5 percent, and the financing deficit more than doubled. That is not doing something for the market sector, is it?

[Question] Now you have to do it yourself. Many people, including D'66 Senator J.J. Vis, are wondering whether the Ministry of Economic Affairs really is the department the D'66 has the closest relationship with.

[Answer] I started in the House with environmental problems, but during the last 6 years I have constantly insisted on the restructuring of industry, on renewal, on the introduction of technology. All of these are elements which can be found in the reports of Van der Zwan and Wagner. That is not bragging; that can be read in 6 or 7 years of parliamentary reports. Gradually people started thinking this way. Not because of us, but because the time was ripe for it.

Finally, Van Aardenne actually produced his Memorandum on Renewal, which I had been going on about for 7 years I think. Of all the things that have been claimed in recent years in the socio-economic area, this is the only thing that has remained. That is the issue the D'66 has insisted on for years, with which we have won 17 parliamentary seats, and which everybody is discovering nowadays, but we supposedly don't have a socio-economic outlook.

[Question] But there is more a minister of economic affairs should have something to say about, isn't there?

[Answer] But this is a turning point! This must take place. And then you can have endless debates about a smaller or a somewhat larger financing deficit, or about whether or not there should be a wage measure and all the fuss surrounding it. I don't want to make light of this. But the issue which has remained, and on which a consensus has been developed, is the industrial policy.

[Question] Will it really be possible to economize as much as you feel is necessary for that industrial recovery? Will society be able to stand that?

[Answer] Yes, I believe that it is possible, and that it is socially acceptable. I think that a large number of people have seen it coming for a long time. It will be coupled with all kinds of difficulties, but it will be accepted. I admit that it is probably true that new measures will always arouse new resistance. Therefore we should stop administering the misery by teaspoons. It should be done with a couple firm steps. Not because it is so pleasant, but because it is necessary. You cannot always let protests keep you from doing what is necessary.

According to Terlouw, this will give rise to a more sober Netherlands. The /real minimum incomes/ [in italics] should be maintained "as much as possible"; those who earn more, can cut back, said Terlouw, even though this would be very unpleasant for those who are barely above the minimum level. All the more reason for him to hang on to the line of equalization included in the government agreement.

[Question] What do you feel is the best designation for what the D'66 means these days? Bourgeois radical, otherwise leftist, reasonable alternative?

[Answer] Leftist liberal, I think, or... progressive liberal.

[Question] Some of your critics disappointingly associate you with the entrepreneurs and others who are considered to be unfeeling about people who lose their purchasing power or their job.

[Answer] That is related to the analysis of the situation. This one leads to the conclusion -- whether you are leftwing or rightwing -- that a tax reduction for business and industry is a must, so that they can reinvest in order to create new jobs. If this isn't done, then you'll slide into ungovernability. Then the weakest will have to foot the bill. Then the right of the strongest will prevail. It is the government's task to protect the weak.

[Question] Specifications'81, the "salvation plan" of the Van Agt/Wiegel administration proceeds from the same idea. As parliamentary party president of the D'66 you said at that time that this approach was terribly bad.

[Answer] I thought that Specifications'81 insufficiently recognized the need to restructure industry. Being in the opposition at that time, we probably didn't say too loudly that there was a need to economize.

[Question] Shouldn't opposition parties be as honest as ministers?

[Answer] They should. However, the opposition has a natural tendency not to stress too much those things it agrees with, and to tackle primarily those points on which it does not agree. We also did that. As a matter of fact, nothing came of that retrenchment of the previous administration.

[Question] Partly because the united opposition screamed bloody murder.

[Answer] That is true.

[Question] That opposition didn't do the country any good.

[Answer] No... as a matter of fact, policy is not the first responsibility of the opposition... But it is true, at the time I made much less noise about the financing deficit than I do now.

[Question] If you end up in the opposition next week, will you insist on it then?

[Answer] Yes, yes... I would be that consistent, yes. Besides, the D'66 was pretty moderate in it, you know. We supported the government twice on wage measures. That is absolutely not a popular action for an opposition party. The PvdA resented us very much for that. And yet we did do it.

[Question] Considering the way the policy is being judged now, wasn't the choice of the D'66 for a coalition with the CDA [Christian Democratic Appeal] and the PvdA strongly determined by style and scope?

[Answer] This choice was determined primarily by the passion for change which is present to a very high degree in the D'66, as well as the feeling that the VVD would not effect any changes.

[Question] And yet I don't see you erecting a blockade against the VVD in a next election program.

[Answer] We didn't have a blockade. We left open the possibility of a combination with the PvdA and the VVD. In order to indicate that the VVD is not a leper.

[Question] You could have done that better by not excluding the VVD together with the CDA...

[Answer] That would have been possible. But we wanted the Labor Party to be involved. It is important that the PvdA says that the measures which have to be taken are inevitable. That convinces the people who are worst hit, the best.

We talked about investments and extra natural gas income for the big oil companies. Terlouw: "A good feeling in the stomach and 1 billion guilders do not compensate for the long term damage incurred by the Netherlands at the hands of domestic and foreign industry.

Then, after some musing, he added: "The fact that it is being said that I don't express myself well about socio-economic matters, is something I don't understand. I am a precise person. I also try that in regard to the economy. I always try to make the arguments as clear as possible, so that you can test them.

[Question] Part of the damage suffered by the last list head of the D'66 has been attributed to the book Paul van Engen wrote about your campaign in 1981.

[Answer] I have made up my mind that I would not react to that at all. That would only promote sales.

[Question] It could easily be seen as weakness.

[Answer] (with a sigh) Aside from the bewildering scandalousness of the fact that someone manages to publish something, after I have told him at least five times in the presence of witnesses: remember, Paul, you can be here, but each word can be vetoed -- with regard to whether it is true or not... And then he writes a book in which I cannot change a single sentence. Why should we impose this burden on ourselves without such an agreement?

But what is at least equally unfortunate: he really did understand some of it. Such an election campaign, in which I play a central role, is an incredibly time consuming business. I do this like a manager. There really is no need for me to tell my associates about all the decisions we make that something was done for one idealistic reason or another. That boy Van Engen did not understand this at all.

It also includes such infamous lies. For example, that Ernst Bakker (the D'66 press adviser during the campaign, now member of parliament - Marc Chavannes) was the one to have conceived the signature operation of 1977. That is such a filthy rotten lie.

As a matter of fact, Ernst Bakker is treated much more scandalously than I am. He ends up looking like some kind of unsavory character. Whereas Ernst, with all his tricks, is a man with his own, typical, and in my eyes valuable morality.

[Question] And the story that Ernst Bakker, when both of you encountered a half drowned sheep during the campaign, called the ANP [General Netherlands Press Agency] and the NOS [Netherlands Broadcasting Foundation] instead of the police, a veterinarian or the fire department?

[Answer] Absolutely not true. Such a false picture is being drawn of him. You cannot do something like that to somebody. Like Petronius, the Roman senator who cut his veins because he had fallen in disgrace, and who wrote Nero a letter in which he said: "Ah, the fact that you burned Rome and blamed the Christians for it, all of that I can endure, but there is a single reason for which I will gladly die. That is because I will no longer have to listen to your awful singing."

So I say: "Perhaps this book could have been endured if only he had been able to write a little. But it is so terribly badly written. Even the title. He cannot even write a Dutch title. 'The Irresistible Advent of Jan Terlouw.' An advent is not irresistible, a person is irresistible, an advent is unstoppable."

[Question] I don't understand why you got involved with him.

[Answer] I don't either. It was agreed on one time in the campaign committee. Parliamentary party meetings are also public. If you look at such a campaign with a little humor, then you have to be able to make it into something fun.

Such a campaign is backbreaking work, but at the same time it is highly comical. We have had enormous fun during this campaign and in 1977. You are always looking for ways to get your messages in the newspaper. It is a dynamic event, full of sudden thoughts, very humorous. We thought: for a journalist it must be wonderful to experience this. If he is unimpeachable, which many of them fortunately are. But Van Engen has done a good job spoiling it, also for others. I would no longer do it.

And then to think: he rode along in the car innumerable times, ate with us, drank a shot, stayed overnight. My wife gave him numerous breakfasts. This makes you sick to the stomach, doesn't it? It leaves a bad taste in my mouth.

8463

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PSOE'S ECONOMIC SPOKESMAN SEEKS TO REASSURE BUSINESSMEN

Madrid ACTUALIDAD ECONOMICA in Spanish 25 Mar 82 pp 20-27

[Interview with Carlos Solchaga by Pilar Cambra and Jesus Martinez Vazquez; date and place not given]

[Text] Ostensibly moderate, like his natural leader, Felipe Gonzalez, Carlos Solchaga is one of the best "economic men" among the Spanish Socialists. Not long ago, he upset the pulse of business owners with a suggestion for "penalty nationalizations" in the event that the de facto economic powers assumed a stubborn position toward a PSOE [Spanish Socialist Workers Party] sojourn in Moncloa. This is just one side of the coin that is in the air at present: Will the PSOE ever govern us? What will its government be like? What are the Socialists' economic plans; how many are there; and what are they like? Carlos Solchaga responds with the electoral circumspection and essential sincerity of a party which is running its great main race at the present time.

The story about the milkmaid is currently enjoying notoriety. The political parties have put the electoral churn on their heads and have taken to the roads on an excursion, optimistically thinking: "And I shall will the votes, and I shall triumph in the elections, and I shall make me a new ministry with gray stripes and I shall form a government." The Socialists, as befits their attitude as an "opposition to the hard-ball syrup stage," are also licking their chops over the delicious victories that the polls could give them. Furthermore, the predictions exceed the milkmaid's prospects and have even reached the difficult terrain of the unexpected win. Without even shedding a furtive tear, Carlos Solchaga reflects: "If the task of governing falls to us, it will be the swan song for an entire Socialist generation"; and also: "If, within 4 days of the victory, the voters withdraw their support from us, we Socialists would leave the way clear for others."

At the moment, the good people who have the election in their hands are experiencing the healthy phase of asking those "presumed to be elected" such questions as: Who are you? What are you going to do if I let you? Where will you drive me with the political vehicle that I place at your disposal?

Carlos Solchaga seems to be especially gifted for this endeavor of verbal clarity. The economist who is spokesman for the Basque Socialists in Congress, the speaker who dazzled the audience with his sparkling addresses in the last

and acceptance of the criticism made by others of the positions that one holds and the interests that one defends. There has been a naive disenchantment, but I think that the identification of the difficulties with the democratic system is merely a campaign put into effect by the extreme right, which has not permeated the population. People realize that it has been our lot to experience a difficult phase. Of course, it would have been better if democracy had come into existence amid an economic boom; but that did not happen, period. A noteworthy fact is that, confronted with an economic and financial right wing which has been clearly and traditionally reactionary, the present one has adjusted well to the new situation. For example, the big Spanish banks are in favor of democracy; among other things, because those banks are already internationalizing the costs that a new readjustment to an authoritarian regime would entail. In short, the business owning class has not reacted wildly against democracy and, for the most part, backs the system, although at times it is tempted by authoritarian nostalgia because, for the first time in the history of Spain, it fears losing power; because the right could lose power."

In Their Places

It is time to remind Carlos Solchaga that, at the present time, the PSOE is not concealing its moves for rapprochement with that business owning economic class. On the one hand, the lion does not want to be as fierce as they depict it; and, on the other, it must be proclaimed to the four winds, the 10 banks and the thousand business firms that, "PSOE upholds the freedom of the market, and of economic initiative, as part and parcel of the freedom of the human being. We respect the existence of the market, and not as a merely temporary phase in history; because any separation from this principle would lead us to a bureaucratic socialism that we do not want."

[Question] And so, if the groundrules of the market economy were so scrupulously upheld by a Socialist government, what power would the business owning economic class lose?

[Answer] If the Socialists were to govern, the economic power would continue to reside where it does now: in the individual business firms or the business organizations, among the great Spanish fortunes and among the landholders. But actually, one has less power if there is a finance minister in the government who really prosecutes tax fraud, or who proposes that the capital tax be paid to the last peseta. Under those circumstances, one feels less powerful, and finds his maneuvering capacity curtailed. Furthermore, in Spain the economic and the political power have been indissolubly combined; and that is the tie which would be loosened if the Socialists were to govern. Because now, when Mr Calvo Sotelo calls Mr Aguirre Gonzalo, both know that they are on the same side, even if they may differ on rates of exchange. If the Socialists win the elections, the political power will for the first time be independent of the bourgeoisie, the economic power. And since that situation has caused concern, there has been created the campaign of skepticism regarding what the PSOE says, concerning freedom of the market, not creating an expropriating tax system and not distrusting the business owners more than we distrust the public officials.

In any event, Solchaga accepts a rather mousy metaphor which explains the distrust more accurately: Spanish business owners feel toward Socialism the same skepticism that gourmets feel toward a melon. They need a taste. And, as if that were not enough, we have neighbors who have had the critical experience of tasting the bitter part of the sweet fruit that was promised.

"I accept the uneasiness of those with greater interests, or even greater responsibilities, toward the experiment of turning over the political power and the redirection of the society to someone who would be doing all that for the first time. But I do not accept confusing the doubt about the Socialists' ability to govern with the distrust toward what they say. Areas such as these cannot be confused: The PSOE program is bad, and furthermore it is false; and, finally, those seeking to implement it are a bunch of incompetents. The risk, when these areas are confused (and this is being done at the top of the business organization), is the confusion of the electorate and the establishment of an atmosphere that would make the relations between business owners and a potential Socialist government very difficult. However, I must admit that the position of the CEOE [Spanish Confederation of Business Organizations] has changed slightly.

But Do You Know How to Govern?

[Question] Now, however, the suspicion of businessmen is not focused so much on the possibility of putting the government of the nation in the hands of irredentist Marxists as it is, as Carlos Solchaga himself has said, on that of putting it in the hands of a bunch of incompetents. Put your ear to the business prairieland, like the Indians in Western films, and what you will hear is this question: But do the Socialists really know where the buttons on the state's machine are? And how many of them know this? Because, in the final analysis, the fear of revolution has been replaced by fear of paralyzation.

[Answer] Yes, to our critics we are either utopians or incompetents. It is an actual fact that the man who lands in a ministry (even a Luis Gamir or a Martin Villa) would be deceived by the lack of transparency in public administration. Any change in government introduces a factor of uncertainty into public affairs, but I can give assurance that the PSOE has many competent men, even though they may not be well known. If Adolfo Suarez found 60 ministers, why can't we do so? Furthermore, the reasonable PSOE government would be one of coalition; and, insofar as the coalition members are concerned, the lineup to be ministers is currently tremendous.

[Question] It is not "tape recorder magic." Without the sky falling on our heads or the wind of the Apocalypse blowing through this room, Carlos Solchaga has said "coalition government." In the story of the milkmaid, there has appeared as a star guest, the unexpected mention of the distribution of the farm.

[Answer] If the country gives us the votes to be the first minority, but not the absolute minority, what it will be telling us is that we must govern in a

coalition with someone. With whom? Not with the left, for reasons which, in the first place, are numerical. That alliance would not give us sufficient backing either in votes or in seats. But, in addition, we do not think that what the electorate has in mind is to move from a government of the right to another one that is of the left, hard and fast. Finally, the experiences in collaboration that we Socialists have had with the Communists have not pleased us. If we were to proceed toward a coalition, it would have to be broad, with the backing of many seats; and that would be achieved through the right, but not through the left. The problem is that, at the moment, we do not know how many and what electoral-political options will be offered to the Spanish people by the right. The regional minorities remain; an arrangement would have to be made with them that would be aimed at reducing the tension between the center and the periphery; and that entails a generous interpretation of what political decentralization is, and the rapid construction of the state of the autonomies. But I do not consider it feasible for those minorities to participate in the government now, when they battle that they are keeping up to obtain larger amounts of self-government has not yet ended. The only solution that I see for the hypothetical coalition is the center. What that center is, what it is like, or how much of a center it is, is another problem. No one knows this, and it is one of the major political dramas in the country. In any event, I shall not succumb to the naivete of venturing which ministries the PSOE would offer to other political groups. That is part of the future overall negotiations.

The First 100 Days

[Question] We shall now begin a chapter of the story that might well be entitled "The Mystery of the Socialist Crypt." The scenario reads as follows: The PSOE wins the elections; it forms a government with the suitors who can contribute the biggest dowry of votes and seats to the marriage of convenience; and the bright summer day arrives when the Council of Ministers meets for the first time, as if making a debut, so to speak. At that moment, the suspense begins: What would be the first measures adopted by the new government's economic team?

[Answer] In the first 100 days of government, a great deal is at stake. One has to create a dual image: On the one hand, a beneficial change would have to begin, aimed at lending ethics to public life, and fighting unemployment, which would encourage tolerance; and, on the other hand, it would have to be proven that the Socialists were really taking the reins of the government, without erratic behavior or breaks in the management of the public administration. The risks lie in hasty change or too much caution, which might radicalize certain bases. I hope that the PSOE will run that process better than our neighbors, the French Socialists, have. But the concrete and immediate decisions are cards that one must not show in advance.

[Question] And at this point one of the favorite expressions of the indescribable Guillermo Brown might be uttered; that is, "I'll be darned!" Because if it is not the time nor the hour to tell the respectable public what concrete measures the PSOE would adopt when it is first in the government, what commodities will the Socialists sell in their electoral program?

[Answer] Just a moment: We shall discuss (and we have already discussed) our plans, our program; but not the "times" of implementation. Besides, during the first 100 days of government it is fitting to undertake a policy of deeds; because the formation and solidification of a certain image (achieved through those deeds) is what will insure the governability of the country and its effectiveness later on. Hence, the PSOE is dutybound to explain very clearly to the electorate what its strategy is. As for time frames, what one can promise and does promise is always relative.

The Machine for Creating Employment

[Question] Nevertheless, certain mysteries have now been modestly disclosed. For example, it is known that, in the dreadful dilemma of inflation and unemployment, Carlos Solchaga in particular, and the PSOE in general, would opt for the generation of employment, and would accept a "certain leeway for inflation" without repugnance.

[Answer] We Socialists have very clearcut reasons for choosing to combat unemployment. That is not just a magnet strategy for attracting votes; among other reasons, because all the political parties (including the government itself) have espoused the cause of the battle against unemployment. The fact is that Spain cannot withstand a level of 2 million unemployed. If that does not necessitate running certain risks, what does the governing of the nation consist of? I am convinced that inflation is bad, that it impoverishes those living on pensions, for example. And that has concerned me to the point where I mentioned "leeway for inflation," but not giving it free rein. The problem is fundamental: The demand for the labor factor depends on the initial demand for goods and services and the price of the labor factor itself. And we want to take action on both pans of that scale: increasing public spending and moderating wages through social agreement and relieving business owners from part of their contributions to social security (which would be covered by the state budget). I know that the business owners claim that a liberalization of the labor legislation could bolster employment. I do not think that we can head toward a system of free layoffs, but we could resort to work contracts different from the present ones. In any event, I distrust that reasoning among business owners in part, because the liberalization of the labor legislation may not be sufficient to increase jobs.

A Simple 'Proust'

[Question] Certified by the Studies Service of the Bank of Spain, assistant director of studies of the INI [National Institute of Industry], economic director of the Bank of Biscay and professor of economics at the Diplomatic School, Carlos Solchaga (he will reach the age of 38 grizzled years in May of this year of grace of 1982) seems to be fully equipped to respond to a quick and simple "Proust questionnaire" on the main economic goals that the PSOE has set for itself on the far horizon (or on the "near horizon"). For example, what would that new and by now famous "status quo" that the PSOE would impose on the banks be?

[Answer] It cannot be described yet, because it must be the result of negotiations. In any event, the banks will have to engage in some new groundrules, which we Socialists do not want to establish through a decree-law. At any rate, the competitiveness should increase among the three types of banks that exist in the country: government, private and savings institutions. We would leave to the banks complete freedom for allocating their funds and deciding on their activity, in the legitimate pursuit of maximum profits; but, of course, someone will have to finance the industrial reconversion, and that someone will be the government banks, which will have to seek the funds through investment securities, advances from the Bank of Spain or loans from the Eurodollar markets. Those systems, which are the ones in effect, seem insufficient to us, and hence the time might come when the government banks will have to open offices and procure liabilities. If that course of action does not appear fitting to the private banks, one of the systems will have to be changed, that of the investment securities. As for the savings institutions, they will have to be extricated from their status as an odd, ineffective machine.

[Question] For example, how would the extremely debilitated investment be revitalized?

[Answer] In the first place, by increasing the public investment. This poses two difficulties: finding the financing, and putting an end to the inefficiency in public administration, which is operating worse now than it was 10 years ago. In any event, the effects of such a policy would not be noted until the second year of its implementation; and, furthermore, the policy of resorting to the deficit should be temporary. In fact, if the economy grows and the fiscal system is flexible, public revenues will increase and the deficit could be eased. On the other hand, the transfers to social security will have to be kept within reasonable limits, and the salaries of the administration will have to be kept at levels which I would describe as exemplary. Finally, there would have to be a considerable increment in the tax inspection run by the state. I am convinced that 5,000 inspectors, with a total salary of 5 billion pesetas, are capable of detecting 25 billion that have been defrauded.

[Question] For example, isn't the proclaimed "purification" of public administration which the PSOE claims to be able to achieve something very similar to the utopian search for the fountain of eternal youth?

[Answer] If that were not achieved, a Socialist government would have failed. We have no magic formula, but we do have the political desire to reform the administration. And it is possible to accomplish this by prompting the citizens to establish a parallel between what they pay and what they earn; and the method for achieving this is simply the decentralization and revitalization of the local corporations. There are other courses of action: introducing management systems similar to those of the business firms, undertaking the computerization of certain services and fostering mobility within the administration.

The Velvet Glove

[Question] The likable style that Carlos Solchaga has shown during the 2 long hours of dialog make one think of the Florentine velvet glove fitted over an "iron" socialism; well, a firm socialism. And that calm verbal strategy does not change a gram, nor a decibel, when it reaches the last question that has been cropping up in the heat of this delightful flowering of "socialism with a gentle countenance." Now the question is, what is left of Marxism in the PSOE, what is left of self-management in the PSOE?

[Answer] Some of both is left, which is still relative. What is left of Marxism is the basis for the explanation of the world given by many members of the Socialist Party; the Marxist view of the class struggle and of opposing interests is something that we (including those of us who are not Marxists) consider to be relevant, as one of the important explanations of what actually occurs in a civilization. In the PSOE, Marxism is like something that has settled, like a view of the world. However, much of the revolutionary message which Marxism carried with it has disappeared. If we analyze the membership of the PSOE, a large portion of it is not Marxist; and I would daresay that the number of members who have not read Marx is virtually universal. Nor is there any raging anticapitalism left.

As for self-management, this has been the result of the failure in the implementation of the Marxist models, particularly the bureaucratized socialism of the Eastern countries. It is the attempt to whitewash individual liberties with socialism in the organization of production systems and social life. Self-management has an understandable attraction because it is to some extent the materialization of the individual right to organize oneself as one wishes. I, who like to think that socialism is the intensification of democracy, find self-management to be the application of democracy to the system for production of goods, distribution and the making of economic decisions. To be sure, we do not like the Yugoslav self-management at all, but it is an area of experimentation which is worthwhile defending and which would have to be given definite backing by a socialist government.

What was said is said; for the benefit of an inventory or, in time, a reminder.

The 'Real' PSOE and the 'Official' PSOE

"I believe that we moderates constitute 99.99 percent of the PSOE." This was one of the most spectacular statements of those made by Carlos Solchaga on 15 March at the "Economic Present" Club. To the question as to why there is continued mention of a "real PSOE" and another that is "official," with substantial doctrinal differences between the two, Solchaga replied: "That distrust has been encouraged by sectors which want to benefit from it; but it is no coincidence that Felipe Gonzalez received 100 percent of the votes at the last PSOE Congress. The 'moderate line' has continuity from the top of the party to the bottom. The Social Democratic positions are being reproduced (and perhaps with greater intensity) on the regional and provincial

levels. There are in the party (and it is a good thing) differences of opinion and radical positions upheld, but they are not organized movements, nor will they reach a majority level. Moreover, we have no reason to deceive anyone: Its policy of moderation is not causing the PSOE any problem.

2909

CSO: 3110/111

PAPER VIEWS ELECTION OUTLOOK, STRATEGIES FOR PARTIES

Stockholm DAGENS NYHETER in Swedish 28 Mar 82 p 2

[Editorial: "Before 19 September"]

[Text] Barely one-half year remains until election day. The Social Democrats have obviously learned from the Conservatives' successful election campaign of 1979 that they should get started in good time. This is shown by their election plan which their party secretary Sten Andersson (Social Democrat) has laid out, according to EXPRESSEN. No so-called target group is missing, not even the children. They will be enticed to march in this year's May Day parade under the banner "Children for Peace"--the children which now could be expected to demonstrate for war...

The entire movement will be mobilized for the purpose of bringing Olof Palme back into government power. That is nothing new in itself. The remarkable thing about the 70's was that the dreaded social democratic election machine failed at its task and turned in one defeat after another.

Now the hope is that the first election of the 80's will be a turning point for the movement. Opinion polls inspire optimism. But also, behind the outer facade, there is an obvious uncertainty. Olof Palme was the man of defeat. The nonsocialist parties were able to mobilize their voters in 1979. For them, the initial position in 1979 was not a bit better than it is this year. They also have a majority, although slight.

Is there a common strategy which can prevent the election from becoming a bourgeois tragedy? This should still be possible. The lesson of the 70's must be that it is only with common strength, never divided, that the non-socialist parties can win power. It is like a government alternative in the form of three-party ministers that the bourgeois parties represent an alternative. Naturally it can be sincerely regretted that the three-party governments have split. That does not, however, alter the facts.

For the Center and Liberal Parties it is obviously a problem that the Conservatives just now appear to be larger than the two parties together. Emotionally it is difficult, in reality it means that the two parties together do not represent a government alternative. Naturally, nobody knows what

the strengths will be after the election, but it is apparent that the Center Party and the Liberal Party, without committing to a three-party alternative would be even weaker on election day, and even less induced to participate. Of course for their part the Conservatives can naturally facilitate three-party cooperation by taking a generous attitude toward the middle parties.

A first and dominant goal must be, as soon as possible and preferably now, to bring together nonsocialist Sweden around a government alternative with a basis in reality.

Besides this dominant strategy there are much better possibilities to go on the offensive against the Social Democrats than the bourgeois parties in general imagine. It is an offensive which also lends itself very well to use on the opponent's turf. This can be interesting in illuminating how the game is being played on that turf.

Peace is desired by all. There is no opposition to the work for a strong Swedish defense, plus peace and the relaxation of tensions in Europe. Our foremost contribution to peace work is defense and the volunteer organizations of the defense which together comprise the people's movement which guarantees stability in our part of the world. The threat against this peace and stability could not have been demonstrated better than by submarine 137!

In Sweden at peace, our very social system is at risk. With fund socialism, a power concentration would be created under union sponsorship without equal in any democratic land. Against the multiple open society stands the monolithic closed unity of socialism. It is as citizens, not as union members, that we must take a position against fund socialistic Sweden.

The striving for fund socialism is generally seen as a bourgeois advantage in the election campaign. For SVENSKA DAGBLADET it is urgent to point out that this also applies to the economy, of which employment is only one offshoot.

Awareness of crisis is beginning to be great. Both the budget deficit and foreign debt must be reduced. Under such circumstances, can a social democratic policy which expresses itself in a continuous "no" to all economy measures, and demands higher expenditures for the state, counties and municipalities, be trusted? What is a greater threat to welfare and employment than a social democratic policy which leads to a collapsed economy?

On these vital questions there is broad bourgeois unity. Of course criticism can be directed against the size and targets of the cuts and details of the economic policies. Also it is not difficult to distinguish bourgeois unity of views on the economy which the Social Democrats lack, a fixity of purpose which deserves to be developed and sharpened with a more firm parliamentary foundation.

But, say the Social Democrats, that is not a just policy. Believe it! A powerful policy against economic collapse, an uncompromising defense of democracy's open--and thereby multiple--society, and inputs which strengthen stability and reduce tensions in our part of the world as a contribution to peace--is that not a just policy?

And should not the bourgeois party which refuses to stand up jointly for this policy be clearly seen as the saboteur of cooperation, with all that implies?

9287

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FALLDIN DEFENDS RECORD ON ECONOMY, AS PARTY LEADER

Stockholm SVENSKA DAGBLADET in Swedish 28 Mar 82 p 2

[Interview with Thorbjorn Falldin, prime minister of Sweden, first of a series of five interviews of party leaders prior to the coming election, by Ola Gummesson and Gunnar Andren; date and place not given]

[Text] "No matter how much the Social Democrats scold, every international comparison shows that our performance has been very good, to have been able to hold employment up as we have done in Sweden since 1976."

[Question] Poor results in opinion polls for the Center Party. Have you lost your touch with the voters?

[Answer] No. (quick and definite)

[Question] Hit by troublesome lumbago--which, however, does not prevent you from watching ice hockey--are you entering the SVENSKA DAGBLADET interview in the same way as you entered the debate in Umea against Olof Palme, on the offensive?

[Answer] In Palme's presence and away from him, I say that I am impressed by his international involvement and passion. But I am also surprised that he will never put our economic realities in his international perspective.

[Question] You do not believe that the Social Democrats, if they should win the fall election, can accomplish what they now say they will?

[Answer] Our entire economy will go out of control if public expenses are allowed to grow in that way. Does anyone believe that the social democratic economists who are now writing warning articles are out to injure the Social Democratic Party? No, of course not. They just want to warn that it will not work to follow the policy which the Social Democrats say they want to follow.

[Question] While the Social Democrats expect to win the election on the "failures" of the nonsocialist government, is it your intention to win on the opposite tack--that despite the unfortunate beginning in 1976, you were able to clear up employment?

Paid The Bill

[Answer] If the Social Democrats get government responsibility again they are going to find that the table is much better filled than when they left it. We have paid the unpaid bill. But the Social Democrats have not made any contribution to that. We have taken all the blows from the cost explosion of 1975/76. Our share of the markets simply blew away. And when 1978/79 was pointed in the right direction, we received two new oil blows. If one talks with people in other countries, they are full of respect for what we have accomplished. If the Social Democrats carry out their want list we will have a repetition of 1975/76--and we will get the employee funds, and then we will go into a dark period in Sweden.

[Question] What do you say to the many who are now unemployed?

[Answer] All this is naturally no excuse for those who are unemployed. But in all the reckless clamor it is important to remember the enormous strains that our economy has been exposed to. And without the contractions that we are now making we would not have had sufficient resources to work against unemployment.

Immoderate Criticism

[Question] You are very critical of what you call the Social Democrats' completely immoderate criticism?

[Answer] We have actually brought about important trend changes. Let me give you a couple of examples. In the first place we have reduced inflation. That has enabled us to reduce interest by one percent on two separate occasions, while other countries have recently only dared to reduce by one-half percent. In the second place we have reduced the deficit in the trade balance. Olof Palme will not talk about these things. But it is obvious that other countries understand and accept our policy. We have had no attacks against our currency. That is an indication that we are going in the right direction. Let them do the best they can here at home!

About The Center Party Crisis

[Question] Why is it going so badly for the Center Party?

[Answer] A common desire has arisen within the other parties to stop the success of the Center Party. When a government is forced to make an unpopular decision, the party with the prime minister position is hit first.

[Question] Many have the impression that as head of government you have outwardly been passive?

(Falldin admits, not without self-criticism and with a certain bitterness in his voice, that that is a matter of judgment.)

[Answer] If the prime minister feels strongly that the government's work is going well, then he must keep a lower profile than others. This tactic has systematically been used by other parties. They have simply utilized the opportunity to tend their profiles themselves, knowing that I will be the last one who patches everything up.

[Question] What was your motivation for lying low, despite that feeling?

[Answer] In the first place the head of government must straighten things out.

[Question] Is there a center policy? Or do crises arise because of ideas from the center?

[Answer] No, on the contrary. Take the energy policy. We did the right thing both with nuclear power and savings. Furthermore, we have moved decision making out to a large extent to the municipalities, counties and offices. That is decentralization. We have reduced SO [Swedish Board of Education] drastically, and the power of decision has been lowered to the level of the school principals. We have terminated the compulsory combining of municipalities. We have extensively increased the support for small business. In the environmental area we have increased the limitations on preparations much more than prior to 1976.

On The Social Democratic Funds

[Answer] For many years I have had a clear picture of the collective employee funds. It will not work to combine that with the market economy which we have today. It makes no difference whether it is one or 24 funds. The important thing is that the entire economy would have a single dominant owning group. The Social Democrats' proposal is a threat to security. It is not needed. The employee funds proposal is a watershed in Swedish politics. We stand on the same side as the Conservatives when it is a question of socialism or nonsocialism. But when it is a question of, for example, allocation policy, then we all know that we are divided.

9287

CSO: 3109/137

SDP CAMPAIGNING FOR 'FUND' BUT READY TO ACCEPT DELAY UNTIL 1985

Stockholm SVENSKA DAGBLADET in Swedish 19 Mar 82 p 6

[Article by Elisabeth Crona: "Social Democratic Fund Tactic: Before Election-85"]

[Text] The election on 19 September will also be a referendum on the employee funds, say the Social Democrats and the trade union movement. But in their fund plans they are not only thinking about the election of 1982, but also the following election in 1985.

Some of the much-discussed unity will be seen in that connection. Because if the Social Democrats do not have other employee organizations with them (such as TCO [Central Organization of Salaried Employees]) and perhaps some other political party (in the middle) at least on several of the main points, everything could be frustrated until 1985, when the planned fund proposal could be torn up by some new government.

The Social Democrats have lately been arguing back and forth about how they should deal with the fund proposal in the election campaign.

Should a sketch of the provisional funds be prepared before the election?

SVENSKA DAGBLADET has learned that this was current a couple of weeks ago. But now it seems that the fund sketch has been set aside.

Guideline

Olof Palme's statement on Tuesday is for the present the guideline for the party and the trade union movement on the fund question. Everything points to that.

The proposal for division of profits will be put forth first, negotiations will be brought out later.

How great will be the space for negotiation, when the Social Democrats are still promising to present their proposal for the employee funds?

That is a particularly political question, which nobody wants to answer just now.

The reasoning is that an answer could mean an opening, which would be meaningless to make while the election campaign is underway. Now almost all positions are locked. The bourgeois parties are firmly opposed. Not even the modest citizen's fund was mentioned in the Liberal Party's new platform. And the Center Party said it short and to the point: Funds are not needed.

But if the Social Democrats win the election, they will expect that the climate for discussion will be different on 20 September. If the fund proposal is still coming, more will be influenced and get behind it.

It will also be easier for the social democratic leadership, in relation to its own campaign, to maneuver freely if they have, so to speak, won the first round for the funds.

The most interesting aspect of the social democratic pondering is the staff of officials. TCO, in its congress this summer, will take a position on the employee funds. If there is a line of direction in their decision which agrees with the Social Democratic/LO line, this can be said to indicate a "rather broad unity" (as Palme expressed it the other day).

But today there is still one-half year before the election, and the debate is going to surge back and forth. Questions are going to be asked about the future of the funds. Whether the spokesmen can avoid going farther in their answers than Palme has gone remains to be seen.

Meanwhile, a powerful information program is going on inside the labor movement. For example, 7,000 metalworkers have recently been given a briefing on the funds.

The critical questions which they ask deal with, for example, who will be in control of the funds? Will a new bureaucracy be created?

9287
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POLL SHOWS MOST SOCIALIST VOTERS PREFER COALITION WITH MIDDLE

Stockholm SVENSKA DAGBLADET in Swedish 28 Mar 82 p 6

[Article by Claes-Goran Kjellander: "New SIFO Poll Shows Socialist Voters Would Enter Coalition With Middle"]

[Text] Half of the Social Democrats want the party to form a minority government if the left wins the election in the fall, and the Social Democrats do not win a majority. Almost as many, however, want a coalition with one or both middle parties. If it is a bourgeois victory the majority of bourgeois voters want a three-party government.

This was shown by an opinion poll conducted by SIFO [Institute for Public Opinion Research] for SVENSKA DAGBLADET and ARBETET.

Of the 709 Social Democrats interviewed, 49 percent wanted a socialist government which would seek support from the Left Party Communists or one of the other parties from issue to issue.

Government cooperation with the Liberal Party was recommended by 19 percent, cooperation with the Center Party by 15 percent, and a three-party government with Social Democrats, Liberals and Center by 10 percent. The remaining seven percent were doubtful.

Coalition With SDP

Of the bourgeois voters, 78 percent want a coalition over bloc lines, while 14 percent thought that the Social Democrats should form a minority government. There were 645 bourgeois voters participating in the poll.

The question SIFO asked was, "Assume that there is a socialist majority in the election this fall, but that the Social Democrats do not get their own majority. In that situation, which kind of government would you prefer?"

The poll was conducted between 10 February and 16 March.

Then which government would the bourgeois voters prefer if there is a non-socialist majority?

Here SIFO investigated two alternatives--one if the middle parties together are greater than the Conservatives, which is now the case in the Riksdag, and one if the Conservatives are greater than the middle parties, which is now the case in the opinion polls.

New Three-Party Government

In the first alternative--today's situation--59 percent of the bourgeois voters wanted a new three-party government. This alternative has especially strong support among the Conservatives. Of them, 76 percent wanted a three-party government.

Within the Liberal Party, 35 percent wanted a coalition with the Social Democrats in a majority government, 30 percent wanted to continue with the minority government with the Center Party, and 30 percent wanted a new three-party government.

Among the Center Party voters, 38 percent wanted a bourgeois three-party government, 29 percent wanted to continue the minority government in the middle and 24 percent wanted to return to the Center/Social Democratic coalition.

If the Conservatives are greater than the middle parties, a majority of the bourgeois voters--56 percent--want a new three-party government. That is true of 62 percent of the Conservatives, 51 percent of the Center and 41 percent of the Liberals.

The next best alternative for the Conservatives (24 percent) is a conservative minority government, the next best alternative for the Liberals (31 percent) is a coalition of Social Democrats/Liberals, and the next best alternative for Center (23 percent) is a coalition of Center/Social Democrats.

Prefer a Coalition

A majority of the Social Democrats--fully 60 percent--would prefer a coalition between the Social Democrats and one of the middle parties before a purely bourgeois government. About 30 percent could imagine a coalition with the Liberal Party, and just as many with the Center Party.

The Left Party Communists almost unanimously prefer a Social Democratic government with Left Party Communist support. If the result is a bourgeois majority, they would prefer a coalition between the Social Democrats and the Center Party

SIFO also asked the 1,547 participants if they thought there would be a bourgeois government or a socialist government after the election. Socialist had 59 percent, bourgeois had 25 percent and 16 percent answered don't know.

The Conservatives expect a bourgeois government, 47 percent to 35. But the other parties are inclined toward a socialist victory.

Results were as follows:

Center Party	44 - 40
Liberal Party	47 - 36
Social Democratic Party	76 - 10
Left Party Communists	84 - 8

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POLL MEASURES VOTERS' UNDERSTANDING OF 'FUND' PLAN

Stockholm SVENSKA DAGBLADET in Swedish 21 Mar 82 p 6

[Article by Bo Ostlund: "SIFO Poll: VPK Voters Know Most About Funds"]

[Text] About half of the Swedish people passed a SIFO test on the employee funds--the smartest were the Social Democrats and the VPK [Left Party Communists].

The least knowledge was demonstrated about the proposals that there would be a fund in every county, and that fund surpluses would go to the AP [National Pension Insurance] funds. Many also thought, incorrectly, that a person could draw out his own funds after they had been held for 10 years.

A large majority knew that LO[Federation of Trade Unions] and SAP [Social Democratic Labor Party] are agreed on creating the funds.

Eight questions, which were asked of 1011 voters from 18-70 years of age, dealt with the proposal for employee funds which LO and the Social Democrats approved during their congresses in the fall of 1981.

In its commentary. SIFO says that the knowledge is "satisfactory" in the cases of about half the Swedish people. SIFO was satisfied with five correct answers, and gave "excellent" grades for seven correct. So 45 percent of the people got a passing grade or better. Six percent of those interviewed got excellent.

All of the eight questions were asked as statements, and those interviewed were to answer true or false, or don't know.

Seventy-five percent of those asked knew that LO and the Social Democrats agreed to create the employee funds. Half of those asked knew that there would not be a fund in every trade, but 28 percent knew nothing.

Sixty-five percent were sure that there are employee funds in the Eastern countries. But only 30 percent knew that profits from the employee funds

would go to the AP fund, and 26 percent believed, incorrectly, that it would be possible to get one's money back from the funds if it had been in for 10 years.

Only one-third knew that there would be a fund in every county, and a majority, 58 percent, knew that a current stockholder could not be compelled to sell his shares to the employee funds.

SIFO conducted the poll during the period late February-early March, before the extensive fund debates of the election campaign at the beginning of last week, and before the program on TV about the funds.

Results among party sympathizers were:

	Cons.	Lib.	Ctr.	Soc. Dem.	Left Comms.	Bourgeois	Socialists
Failed, percent	56	53	68	50	48	58	50
Passed, "	38	45	27	42	44	37	42
Excellent, "	6	3	4	8	8	5	8

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CSO: 3109/137

PAPER URGES PARTIES HEED VOTERS' WISH FOR SDP-CENTER COALITION

Stockholm DAGENS NYHETER in Swedish 30 Mar 82 p 2

[Editorial by Olof Kleberg: "Put a Stop to Bloc Politics!"]

[Text] Tell us who will form a government if there is a bourgeois majority in the election! Announce who will be prime minister!

These demands are coming from social democratic newspapers and politicians. They are the eternal questions which come from the predecessors in a party which alone can hope to form a strong government (at least with the support of the Communists).

For the Conservatives it has also traditionally been easy to answer: a bourgeois three-party government, with the largest party's leader as prime minister.

The solutions are not that easy. We have for too long a time been plagued with antagonisms, bloc against bloc. This year's election campaign seems to be adjusting itself into this framework.

Conservative leader Ulf Adelsohn, in an interview with SVENSKA DAGBLADET, believes that he sees much greater prospects for a three-party government now than just a few months ago.

The old claim that the Conservative Party should take the prime minister position if it was the largest party, and that tax reform must be discarded, have now faded out. Adelsohn, a politician who gets results, seems to have great influence about that in his party.

But the middle parties can not enter a new three-party cooperation with the Conservatives just for their good looks alone. They must start from what the Conservatives have said and done. Then there is no doubt that there are not two, but three blocs in Swedish politics. The Center and Liberal Parties also seem to reason in this way. They have said that they are going into the election on the policies of the middle government.

Nothing more needs to be said. It leads nowhere to explain, as Ola Ullsten did last Sunday at Vasterbotten, that he would not cooperate in a government with a conservative prime minister. Then the election campaign would be dealing more with formation of governments than with the issues of policy.

Certainly the Social Democrats have a tactical interest in attacking the middle parties in their "rightist coop." But as STOCKHOLMS TIDNINGEN (Social Democrat) points out, this could lead to disadvantages in the long run. It would be difficult for a social democratic government (which STOCKHOLMS TIDNINGEN is hoping for) to cooperate with the middle after the election.

And the Social Democrats need to cooperate across bloc lines. Because even if they win the election with promises, they will have to deal with realities.

Surprisingly, many voters want cooperation across bloc lines, even if "their bloc" wins the election. The parties must also listen to this expressed interest in cooperation. The election campaigns can be structured so that all the bridges are not burned. And the voters would have several, not just two, election choices.

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PAPER COMMENTS ON CRITIQUES FROM EAST, WEST ON SECURITY POLICY

Stockholm DAGENS NYHETER in Swedish 30 Mar 82 p 2

[Editorial by Olof Santesson: "Think About Security"]

[Text] Swedish security policy is respected by both power blocs. In any case we have convinced ourselves of that for many years.

By chance (?), there have been commentaries in both East and West which show a remarkable lack of respect for our efforts. West German Chancellor Helmut Schmidt says that Sweden profits from the power balance. In Moscow the party newspaper PRAVDA is dissatisfied because we are spending so much for defense.

Schmidt's surly reasoning is most scandalous. He comes right out and says that Swedish policy would not be worth much if the western alliance did not provide for the power balance. His outburst seems strange. Nothing is easier to confirm than that Swedish security policy is not created in a vacuum. In this sense we are like all the other countries in Europe, dependent upon the power balance, no matter how it appears.

But "profits"? Is it Schmidt's impatience with peace opinion in West Germany that is being turned against Sweden? The chancellor is currently hard pressed on the home front.

As to the Soviet attitude, comrade scholar Lev Voronkov recently questioned in this newspaper whether Sweden could afford to maintain an independent defense capability. PRAVDA, on the other hand, complains about "increased Swedish military strength." "The objective (of Swedish defense efforts) is that some people have in fact approved of the arms race which is nurtured by the United States, and frankly 'according to Sweden's ability' contributed to it," it said with its ridiculous reasoning.

Cooperation between Swedish defense industry and the West, primarily the United States, casts an obvious shadow over the traditional alliance-free Swedish policy, says PRAVDA. The country is not threatened from anywhere,

says the newspaper. Excellent. But why then are the Soviets worried about Sweden's forthcoming defense decision? A fairly strong Swedish defense can of course never threaten the Soviet Union--as long as the Kremlin does not attack us!

We hope that Schmidt became excited. We can not have such hopes about the Soviet leaders. They are intentionally trying to put pressure on a small country. Briefly, it is the old dreary superpower style.

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BOURGEOIS PARTIES START CAMPAIGN BY ATTACKING EACH OTHER

Center Party Losing to Conservatives

Stockholm DAGENS NYHETER in Swedish 24 Mar 82 p 6

[Commentary by Sven Svensson: "Center Party's Identity Crisis Can End in Election Catastrophe"]

[Text] The Center Party has encountered its worst identity crisis since the coalition years of the 50's. A rapid change is necessary now if the election 6 months from now is not to be a pure catastrophe.

One can disregard the latest right-leaning poll from SIFO [Swedish Institute for Public Opinion Research]. One should not form fixed opinions from the results of a single poll. It takes three polls in a row to disclose a trend.

Still, it is clear that the Center Party finds itself in a very difficult situation, with great uncertainty both among the voters and the party's opinion makers.

The basis for the uncertainty is in the cooperation with the Right following the 1976 election.

Very Quick Change

The change has come very quickly. It depends in turn on the current economic crisis having necessitated measures in the economic area which reinforced the credibility of the Conservative Party in the opinion of the voters. The Center Party has not been skillful in establishing its own economy policy among its own voters.

The latest breach over the waiting period for sick insurance is an example of the dilemma that the Center Party finds itself in because of its cooperation with the Right, and because of its bootstrap economic policy.

Many Center Party voters feel by tradition, and also by repeated myths, great solidarity with the workers. The waiting period in sick insurance and worsening of the benefits from unemployment insurance can justifiably be described as social disarmament and class legislation.

These complaints have become painful for many Center Party voters to bear. The complaints have created uncertainty both in the party leadership and among the ombudsmen. The agony has been openly demonstrated to the people.

Also, in a couple of other connections, cooperation with the Right has been destructive of the Center Party profile. The Conservatives have overshadowed Center Party members both in the government and in the mass media.

Gosta Bohman has always considered himself as the country's original prime minister, even though for appearances' sake Thorbjorn Falldin became prime minister in name. Even other Conservative Party cabinet ministers considered themselves more skillful and better than Center Party ministers.

The mass media loves winners and tramples losers. The Conservative Party has had an incredibly favorable position with the mass media. The governing parties are themselves partly to blame for this. It has always been so very difficult to come to agreement with Falldin. Bohman was always ready to speak out on all possible and impossible questions, in fact he begged for the opportunity.

Several Cabinet Ministers (Center Party) Now Looking Bad

And if one looks around today, the Center Party cabinet ministers really look rather bad, with the exception of Falldin, whom nobody can knock out. Not even Palme.

Karin Soder is very busy with the waiting period, Karin Andersson with the drugged Chilean refugees, Nils G. Asling with his Statsforetag AB and Torsten Gustafsson with the Russian submarine.

Well, all that can be purely coincidental.

It is still an unavoidable fact that Falldin must adopt a more severe attitude primarily toward the Right and also toward the Left if the next election is not to be a disaster.

He has certain opportunities.

It was certainly correct to compromise with the Conservatives on the money for the municipalities following Lars Tobisson's demonstration of strength in the Riksdag. It did not matter which solution was reached.

But even there the Conservative Party still made some political points. The government was forced to recognize its dependence on the Conservatives. And that was the intention.

But now it is necessary for Falldin to be bold to the bitter end.

Vital for Falldin and the Center Party

There is still the conflict over the extent of the economy measures. The Conservatives want to increase the rent for tenants until it hurts, the Conservatives want to make greater economies in sick insurance, and the Conservatives, believe it or not, want to give more money to the defense.

If Falldin is to retain his credibility it is the Conservatives' turn to eat humble pie.

And most important of all!

At the end of April the government will deliver its so-called supplementary bill to the Riksdag. It will contain the lines of direction of the economic policies which the government will fight for in the election campaign.

It is certainly vital for Falldin and the Center Party that it is the government's and not the Conservatives' economic policies that the government will go out and fight for.

In the crisis of confidence that the Center Party finds itself in today it would be fatal to give in again to the Conservatives.

Ullsten Precludes Conservative Premier

Stockholm DAGENS NYHETER in Swedish 29 Mar 82 p 6

[Article from Swedish Central News Agency, Umea: "Ullsten Says Prime Minister is No Job For Adelson"]

[Text] "I am not going to assist a government in which the Conservatives take the prime minister position. The policies which the Conservatives are conducting today are purely rightist policies.

So said Liberal Party leader Ola Ullsten when he spoke to the Liberal Party at its annual meeting in Vasterbotten on Sunday.

"As a Liberal it is obvious that I am not going along with the Social Democrats' employee fund law.

"It is important that we in Sweden make sure that we have a strong labor union movement. But that does not mean that a labor union movement is enough in itself.

"The Social Democratic Party's fund proposition would mean that we would have two kinds of unions in Sweden. One for administration of capital and one for employees. That is a dangerous development.

"It is within the power of employees that wage-earners should have influence. The Liberal Party has and has always had interest in finding new ways for employees to have influence over labor and capital."

The SIFO poll which was released on Sunday and which, among other things, showed that half of all social democratic voters want a coalition with the middle parties. Ola Ullsten commented on this in the following way:

"In general, people want the political parties to increase their cooperation. The Liberal Party wants that too.

"It is a good sign that over half of the social democratic voters in the poll want nothing more to do with the Left Party Communists. This should be followed up by a similar view from the social democratic leadership."

The Liberal Party leader believes that it is good that so many Social Democrats, according to the SIFO poll, are confident that they can work in coalition with the Liberal Party.

Adelsohn Replies to Ullsten

Stockholm DAGENS NYHETER in Swedish 30 Mar 82 p 8

[Article by Dick Ljungberg, DN correspondent at Karlstad: "Adelsohn at Karlstad Says It is Not Wrong to Look at Lasse Holmqvist [TV entertainment figure]"]

[Excerpts] Karlstad, Monday. "I do not believe that a party leader should go out before an election and say that the leader of party X can be the prime minister, but not the leader of party Y. I believe that such questions should be decided by the electorate."

So said Conservative Party leader Ulf Adelsohn on Monday, responding to Liberal Party leader Ola Ullsten's statement that he would not cooperate with a government in which Adelsohn was prime minister.

"What I have said on the question of the prime minister position is that one must respect the decision of the electorate. One should not go out and say that party X will have the prime minister position, even if it is small, and that party Y will not have it, even if it is large.

Separate

On the subject of "rightist policies" Adelsohn said that there is not much that separates the Conservatives and the Liberals, except for two questions: taxes, and how much needs to be saved.

"But one year ago the Liberal Party had the same view on taxes as we, and Budget Minister Rolf Wirtén said that it was necessary to save 10 billion next year, so that is also a rightist policy," said Adelson.

But he wanted to talk to Ola Ullsten about his statement.

"It is a good thing to talk to a horse before taking the reins," said Adelson (he spoke by telephone with Ullsten after the press conference, and the latter was then not willing to stand by the Sunday statement).

Paper Defends Government on Economy

Stockholm DAGENS NYHETER in Swedish 1 Apr 82 p 2

[Editorial by Svante Nycander: "The Falldin Effect"]

[Text] The government has intentionally created record unemployment, wrote Olof Palme in an article in AFTONBLADET. According to him, 30,000-40,000 people are unemployed "entirely unnecessarily," because they could be given jobs within the framework of the labor market policy, according to powers granted by the Riksdag. This unnecessary, intentionally created unemployment was called "the Falldin effect" by Olof Palme.

Thorbjörn Falldin was violently disturbed when Kjell-Olof Feldt made approximately the same charges in the finance debate. Feldt based his remarks on the opinion of the finance committee, where according to him the bourgeois majority gave two reasons for the unemployment policy: that the sector exposed to competition must have priority for manpower and capital, and that "the demand for manpower must be restrained with a view to--as they say--competitive power." The bourgeois majority on the committee intended, according to Feldt, that unemployment is needed to hold down wage increases. "The neoliberal message could not have been better stated by Margaret Thatcher or even Milton Friedman himself."

Clearly this will be a campaign theme. The government wants unemployment, even "record unemployment."

The complaint is unjust. The text that Kjell-Olof Feldt attacked was not dealing with the employment level. The finance committee wrote that we must save and work ourselves out of the crisis. The committee tried to motivate a tight economic policy and maintained that there is no space to stimulate "demand for goods and services"--which is something different from "demand for manpower," which Feldt claimed that the committee had said.

What Palme and Feldt are attacking is really the policy of contraction. It is the struggle to hold down the deficits in the balance of trade and in the budget which is being depicted as a conscious attempt to make people unemployed.

If we could disregard the deficits it would be no trick to create 30,000 - 40,000 new jobs. The government can easily create new money with the printing presses, with support of the powers granted by the Riksdag--as Palme pointed out.

During the 50's and 60's employment was high in the industrial countries. Everywhere the public sector grew: administration, training, research, health care, social care, etc. The new job opportunities were paid for by tax increases, which were imposed with equanimity, since production was simultaneously giving space for an increased private living standard.

At the beginning of the 60's 12-13 percent of the work force worked in the public sector. Today that portion is over 30 percent. The number of employed in, for example, social care doubled six times between 1960 and 1979. Each year in the 70's there were 15,000 new jobs added in social care.

There are two reasons why this method of creating full employment no longer works, either in Sweden or in other industrial countries:

- The tax system will not stand the strain. Cheating and tax evasion are increasing, tax deductions disrupt and hinder production. Tax increases therefore do not give the same amount to the treasury as before.
- Real wage conditions have worsened, and made people less tolerant of tax increases. Few governments are ready to further depress real wages in order to pay for increased employment in, for example, health care.

When taxes could no longer be raised, it was instead attempted to finance increased public employment with borrowing. This method can only be used for a short time. After several years a large part of the nation's income must be used to pay interest on the national debt, which contributes nothing in particular to employment.

That Sweden still has relatively few unemployed is attributable to our being at the absolute international top of both tax pressure and national borrowing. What will we do when both of these sources of funds are exploited to the breaking point?

Social democracy and the labor union movement have no solution for the dilemma. Unemployment is being fought with sorcery. It is constantly being repeated that unemployment should not be a tool in economic policy. When that theory is sufficiently well-established--nobody is now contradicting it--they will go farther and condemn the government for using unemployment as a tool. The political analysis overshadows the economic. People are unemployed because the government is intentionally preventing them from getting work (the Falldin effect).

A reduction in state expenditures is today a necessary contribution in the strategy for full employment. The economy of the public sector must be protected, because public activity is so important to employment.

Paper Speculates on Coalition Possibilities

Stockholm DAGENS NYHETER in Swedish 2 Apr 82 p 2

[Editorial by Olof Kleberg: "Coalition and Collision"]

[Text] There is unity within social democracy that the party will, in good time before the 1985 election, go into a coalition with the center--if the Social Democrats win the election of 1982. This was discussed in the latest issue of 7 DAGAR.

It appears, however, that the paper is building on information from "knowledgeable sources" in the party and people who are "very close to the party leadership." And that is pretty good--even if there is no talk of "unity."

The economic situation is so harsh and the necessary measures are so severe during the entire decade of the 80's that the old bloc politics will not do. That is a feeling that is beginning to gain ground in spite of the confrontations of the election campaign. Voter opinion is not at all so bloc political as the debates and certain leading politicians pretend.

Even within social democracy--especially at the higher levels--there is surely an insight that Sweden can not be governed during the 80's without agreements across bloc lines. With bloc politics it could very well happen that there would be a change of regime at every election--the government voted out in protest and the opposition winning on lofty promises.

But one can hardly hope that the leading Social Democrats already have a strategy. They are investing all their efforts in winning the election, and so they are on the attack. The wisdom of that is disputable. Differences are deepening at the same time as expectations among their own are increasing; everything will be all right after the victory on 19 September.

Those within the Social Democratic Party who are thinking farther ahead than the election are rather naturally thinking about the Center Party. There is a tradition of coalition in that direction. Also, the Center Party can be expected to want to reestablish its popular profile after having cooperated with the Conservatives.

But it is unlikely that a single, rather small bourgeois party would dare go into a coalition with the Social Democrats. The Liberal Party would surely benefit from a spell in the opposition and win voters from both the Conservatives and the Center Party. But the Center Party would not permit that.

No, if there is a coalition during the next election period it must at least be between the middle and the Social Democrats, the three parties behind tax reform. But not even the Conservatives are excluded from the start. It depends largely upon themselves--whether they want to put profile or cooperation first.

Falldin Hits Conservative Tax Program

Stockholm DAGENS NYHETER in Swedish 4 Apr 82 p 7

[Article by Ake Ekdahl, DN correspondent in Kalmar: "Falldin At Home Says Adelson's Sniping Must End"]

[Excerpts] Kalmar, Saturday. "The truth has exposed the Conservatives. Their fear propaganda against tax reform failed. Now the people are seeing the facts, now they can again hope to own their own homes." Prime Minister Thorbjorn Falldin said that when he returned from his official visit to Germany and jumped directly into the Swedish election campaign at a Center Party meeting in Kalmar on Saturday.

All questions about how tax reform can be a hindrance for bourgeois unity in the future were shoved by Falldin over to the Conservatives. If Adelson wants to improve the climate, said Falldin, the ball is in his court.

Falldin told DAGENS NYHETER, "Since the Conservatives quit the government coalition over the tax question it is of great importance what they do in the spring when the Riksdag makes its decision."

In his speech at People's House Falldin said that the Conservatives should end their sniping against tax reform. The moment of truth was approaching. On point after point the truth has refuted conservative criticism. Instead, the Conservatives should consider their social responsibility and cooperate in carrying out one of the most important tax reforms in Sweden of all time, said Falldin. Center Party members then applauded enthusiastically.

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TREND TOWARD IDEOLOGICAL REPRESSION ALLEGED

Paris LE MONDE in French 24 Mar 82 p 7

[Article by our special correspondent Claire Trean: "Ideological Repression Has Replaced the Antiterrorist Struggle"]

[Text] Ankara. Something has changed in Turkey in recent months. After the undeniable relief which, at the end of a long period of murderous anarchy, had welcomed the 12 September 1980 military coup d'etat, there is little if any discontent which by the way has hardly any possibility of being expressed but which one can feel to be widespread, whereas a feeling of insecurity, a fear of arbitrary action, which the regime had so far managed to avoid, is spreading in certain circles. Something has changed and it is not expressed by an increased military presence in the streets of Ankara but rather by a new pessimism. Meetings are refused, sometimes with spite, sometimes with regret¹; others are held on the sly, shielded from indiscreet looks.

General Evren has been able for almost a year to count on the appreciation of a population liberated from fear and hardly ready to be stirred up over the fate of the "enemies of the republic" who were succinctly identified and thrown into prison: the extreme left-wing and extreme right-wing terrorists, the separatists, the Islamic fundamentalists, the "communists," finally, or their likes, the presumed promoters of Moscow's destabilization designs. General Evren has also been able to count on very widely shared confidence: after all, this regime was not a South American-style junta; the generals were imprisoning neither politicians, nor intellectuals and, far from disdaining democracy, they promised to restore it as soon as possible, to revive the economy, before going back to their barracks. The army, guardian of Kemalist principles, neutral and without any political ambitions of its own, made sure that it would save Turkey from shipwreck.

Just 18 months sufficed for this scheme to be no longer acceptable in terms of its simplicity, for the myth of the army's neutrality and infallibility to be severely cut down. "What has changed in Turkey," said a former minister, "is that the military leaders are beginning to doubt their success and that they are no longer as satisfied with themselves as they were several months ago."

While several major collective processes began opening up--processes which present to public opinion the spectacle of a parody of justice--the military

establishment at the end of last year made its first mistake: the mistake of having sincerely believed that the guarantees given in December by General Evren, concerning the return to civilian government (in 1984, at the latest), because they dealt with what is considered to be essential here, would disarm the criticisms of the European allies regarding what is considered secondary, that is, "certain dirty tricks" in the process of repression. The National Security Council is perhaps making a second grave error--a tactical one--by imparting to this repression, if not a general hardening, then at least a new twist: the arrests, at the end of February, of the leaders of the Turkish Peace Committee of whom nobody wants to believe that they had any connection with subversion, the start of persecution of Mr Ecevit's Republican People's Party--these mark the transition from the antiterrorist struggle to ideological repression in recent weeks.

Contradictory Measures

Nevertheless, a certain easing in the emergency laws in recent months might have appeared like a real good-will gesture. The bill for the abolition of the death penalty, which has just been submitted by the National Security Council, is aimed at other objectives: it is designed, on the one hand, to make it possible to "recover" the terrorists held in foreign countries which currently refuse to extradite them. On the other hand, hundreds of death penalties are demanded by the military courts. Even in case of a probable assumption to the effect that about a hundred or perhaps even only several tens are in effect decreed at the end of the current big trials, in other words, toward summer, their implementation would not at all easily be accepted by public opinion. "They could have done that right after the coup d'etat," a former politician says without beating about the bush, "but not 2 years later."

On the other hand, the reduction of the curfew, the decrease in the period of surveillance (from 90 to 45 days), and more recently the possibility of appealing all prison sentences longer than 6 months (and no more than 3 years) expressed an undeniable desire to mitigate the rigors of martial law. This new course, which repression seems to be taking, in contradiction to the measures aimed at easing the situation, necessarily leads us to conclude either that there is incoherence or division among the military hierarchy.

The right-left equilibrium in this repression, which the generals had emphasized with ostentation as they seized power, is no longer being implemented, not even in terms of outward appearance. In December, half a score of accused members of the National Movement Party of former Colonel Turkes--an extreme right-wing organization which has its own paramilitary training camp and which is credited with 694 assassinations--were released on probation although the death penalty had been demanded for them. They will appear in court as free persons charged with crimes.

On the other hand, repression for purely ideological reasons is directed specifically against the left. On the lowest level, that means as yet exceptional but highly revealing incidents, such as the time when the police descended on that little bookstore in Ankara where they confiscated Gogol, Turgenev, and Tolstoy "because they are Russians." On a higher level, there are the

investigations directed against the Republican People's Party to "obtain evidence of its links with terrorist organizations, with the outlawed Communist Party, or with certain labor unions" and all of the trials begun by virtue of articles 141 and 142 of the Turkish Criminal Code which punish the intent to establish the dictatorship of one class over another.

These articles are used against communist or left-wing formations. They are also used against the members of the Peace Committee who are charged with having been in contact with the World Peace Council which is supported by the Soviet Union. Finally, they are used--as in the case of an article which punishes attempts at overthrowing the constitutional system--against the 52 labor unionists of the DISK [expansion unknown] whose trial began on 24 December in Istanbul and against 2,000 other militants from that organization who are also being prosecuted.

The Trial of the DISK

Among the counts of the indictment, many facts, some of which--judged a long time ago--go back to 1975 (such as the organization of demonstrations without authorization), the unlawfulness of the bylaws--filed 15 years ago--supposedly inspired by "Marxist-Leninist" principles, the organization of one or the other protest strike against the right-wing assassinations and tens of other motives with rather little in the way of legal foundation. Nothing that concerns the professional activities of the DISK; nothing that would make it possible to establish any link with terrorism.

The bills of indictment were intoned at the rate of two hearings per week for 3 months in an Istanbul high school turned into a military courtroom for the occasion. The reading of these 820 pages was completed on 5 March in a very good-natured atmosphere (soldiers dressed up as cafe waiters served tea and snacks to the accused). The trial as such is to open on 14 April and promises to last many long months. Nobody in Turkey imagines that a single one of the 52 capital penalties demanded could be handed down in the end. It is becoming increasingly clear on the other hand that the basic idea is once and for all to do away with a certain concept of labor unionism.

The DISK leaders had cut themselves off from a portion of their rank and file both because of their Marxist phraseology, which Turkish labor for the most part has little use for, and due to an excessively adventurous wage demand policy. But this trial, which is aimed at discrediting them once and for all, entails the risk of having the opposite effect at a moment when economic policy is a very heavy burden on wage earners who are from here on in deprived of any recourse. The shortages on many daily consumer products prior to the coup d'etat certainly disappeared. But here again, as in the case of the disappearance of terrorism, the popularity which the generals were able to derive from that has vanished. The wage freeze, the rise in the cost of living (inflation is still at least 40 percent), an increase in unemployment--these are the most noticeable effects--as far as the population is concerned--of an economic policy which is entirely oriented toward the revival of exports, the abrupt reduction of inflation, and the decline in domestic consumption. Turk-Is,

the leading labor union headquarters, still exists legally. But, apart from its left wing (including the press union) which is as oppositionist as possible but very much in the minority, it entirely follows the economic policy of Mr Ozal and is no longer a source of recourse for its members. Finally, the National Security Council is debating a bill on the labor unions whose publication is rather slow in coming (with good reason) but whose broad outlines are known: in particular, it introduces restrictions on membership, very selective conditions for access to management posts, and very severe control over finances which would deprive the worker organizations of their means of action and their autonomy.

"Witch Hunt?"

Counselor Apaydin's real error is not that he has links with Moscow but that he cast light upon the artificial nature of the DISK trial and--like the other members of the Peace Committee--denounced the violations of human rights. This is why their arrest, even more so than that of other intellectuals suspected of having links with outlawed organizations², is felt to be an escalation of repression.

Is this the start of a real "witch hunt?" The trend is in the air but it has not yet been systematically implemented. Is this a test of strength within the military hierarchy where the hard-line group wanted to set an example through the arrests in Istanbul while General Evren was on an official trip abroad? There is nothing that would enable us to say so with certainty but rumors are rife. Or is this finally an attempt to muzzle all of the real or potential opposition groups? That is probable.

The ambiguity of this regime resides in the fact that--promising a return to civilian government in which General Evren, out of uniform, would be the president of the republic--it cannot totally get along without the support of public opinion; but, conversely, it cannot afford to appear to be losing ever so little of its control over this process. This is what explains its contradiction: it is suggested to the old politicians that they disclose their viewpoints on the future constitution and it was announced that the broad outlines of that constitution have already been charted; a bill for the abolition of the death penalty has been filed and three terrorists are hanged; martial law is eased and a new wave of arrests is launched. General Evren no longer has one straight line to follow but at least two among which he must now choose.

FOOTNOTES

1. Since 5 February, contacts with foreigners making investigations in Turkey are subjected to prior authorization by the military authorities.
2. About 50 lawyers and about 20 journalists are currently being prosecuted.

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VITAL TURKISH ROLE IN ARAB WORLD ADVOCATED

Istanbul GUNAYDIN in Turkish 28 Mar 82 p 7

[Editorial by Nuri Eren]

[Text] We are hoping that the visit of our esteemed head of state, General Evren, to Kuwait will presage a new period in Turkish-Arab relations. Turkey's relations with the countries of the Middle East have for years been the most reticent aspect of its foreign and domestic policy, the reason being that to date Turkish-Arab relations have not been addressed as a whole. A comprehensive, strategic approach encompassing the entire region has not been formulated but rather policy has consisted of helter-skelter initiatives tied to the flow of events. These initiatives in the 1960's were predicated on the need to support Cyprus, and in the 1970's the need for credit was added to the Cyprus problem.

In other words, from the standpoint of Turkey, Turkish-Arab policy has been conducted as an extension of our Cyprus and credit problems. In international relations--as in human relations--initiatives predicated on unilateral interests prove unproductive. Moreover, an openly self-seeking approach has contravened the psychological imperatives of Turkish-Arab relations. The accumulated total of a long common history has left the Arabs with a subconscious inferiority complex toward the Turks.

Misunderstanding

Furthermore, the Arabs, owing to a distorted historical perspective, have likened the Turkish cause on Cyprus to that of the Jews who arrived later in Palestine and have opposed the autonomy of the Turkish-Cypriot community. All of our efforts have been viewed positively only at conferences whose international impact is very limited--the Islamic Conference, for example; but they have abstained on fundamental United Nations' resolutions recognizing Turkish rights.

Until the 1970's, the Arabs possessed limited financial resources. They were able to defray only their development costs. It took 8 months for King Faisal to pay out the \$1 million I obtained from him in 1971 for the Palestine refugees. But after 1973 when the situation changed and when countries like Saudi Arabia and Kuwait were taking in up to \$100 billion a year, the

attitude toward Turkey did not change. Today, Saudi Arabia is providing \$4 to 5 billion in aid annually to Jordan, Syria and now Iraq--for Muslim countries in Africa this aid is to the tune of \$3 billion a year. Their Western investments are set at \$120 billion.

But all our demarches to the Saudis have been virtually fruitless. They have no investments at all in Turkey.

We continue to receive--at high interest--the credit we need through funds they have deposited in Western banks. We hope that General Evren's trip to Kuwait will open a new avenue in this area.

Just as, from Turkey's standpoint, the Cyprus and credit issues have dominated Turkish-Arab relations, Turkish-Israeli relations and Turkey's position on the Palestine Liberation Organization have dominated from the Arab standpoint. The Arabs have perceptibly tied the negativity of their attitude toward Turkey to the last 20 years of our relations with Israel. Yet, Turkey was at the forefront of the handful of countries that fought in the United Nations against an independent Israel in 1948. Turkey voted against the resolution that granted Israel statehood. Turkey recognized Israel after UN countries did but it supported all the Arabs in their wars with Israel.

Until the mid-1960's, the Arabs were a minority in the United Nations and thankfully welcomed Turkey's support. But in time they became the majority through the participation of newly independent states and, especially after 1973, they bolstered their influence via oil revenues. They began to reject Turkey's requests for support over Cyprus on the pretext of Turkey's relations with Israel.

Fine for the United States, Bad for Turkey

How peculiar that the Arabs have received the greatest help in this regard from Turkish public opinion. In Turkey and in the Arab world, both those disfavoring friendship with Turkey and those favoring Turkey's disassociation from the Western bloc have taken issue with Turkish-Israeli relations. We saw the latest example of this during the Kuwait visit. During Head of State Evren's press conference, key pronouncements setting Turkey's Middle East policy were left aside and, instead, Turkish-Israeli relations became the prime topic. It ought to be asked whether Saudi Arabia can accept the United States--in which the Saudis have placed their strategic, financial and military trust--having relations with Israel and still be uncomfortable over Turkey's limited relations. For years we have held official and friendly talks with all Arab leaders; never has there been a complaint about us in this regard. What does the Arab cause stand to gain from Turkey severing its relations with Israel? This issue has become the ploy of those who, on the one hand, oppose Turkey's overall strategic approach and who, on the other hand, oppose the development of Turkish-Arab relations. However, Turkey has strengthened the provocateurs in this regard by occasionally giving concessions as though it were the guilty party, thereby lending currency to a nonexistent problem.

Turkey's Regional Importance

Turkey is a shield against Russian influence in the region. The vitalness of this shield has increased following the occupation of Afghanistan. Iran's entrance into the Russian sphere of influence after Khomeyni will readily threaten the independence and territorial integrity of Iraq. This threat will impact on the entire Arab world. Turkey is the only power that could prevent an attempt to dismember Iraq. Excluding Egypt, the historical, geographical and governmental identities of Arab countries has yet to be firmly established. Each one harbors predatory designs toward the other. It was only yesterday that Syria was on the brink of conflict with Jordan and Iraq. With its impartial, historical and current strength, Turkey possesses a balance that can check such adventurism. In fact, a while back Turkey played a major role in protecting Kuwait from Iraq.

The Arabs need Turkey to safeguard their newly gained independence and wealth. Our attitude toward the Arabs has up to now served to conceal this fact. Our contribution to the Arabs is much more vital than the problems over Israel and the Palestine Liberation Organization. The Turks, today as throughout history, do not ask for favor, they give it.

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SDP PARLIAMENT GROUP APPROVES ENLARGING OF NATO ARMS DEPOTS

PM150925 Copenhagen AKTUEL in Danish 20 Mar 82 p 16

[Bjarne Kjaer report: "No New Depots for NATO Materiel"]

[Text] No new NATO depots for heavy materiel will be built in Denmark; existing depots will be enlarged with spare parts, fuel and ammunition for the British and U.S. Air Force, Navy and Army units which will be called to reinforce Danish armed forces in a war situation. This is made clear by NATO's new reinforcement plans for Denmark, for which Defense Minister Poul Sogaard won unanimous support in the Social Democratic Folketing group. The government has already approved the plans, which are to come into force 1 January 1983.

The reinforcement plan, which is an offer to Denmark from the NATO Supreme Command in Europe, SACEUR, means that the forces which will be earmarked for Denmark and Schleswig-Holstein are the ones which already figure in reinforcement plans for the area.

However, the important difference is that some of these forces will now be permanently earmarked for Denmark. They include five U.S. and two British Air Force squadrons. These will include defense pursuit aircraft and Hunter bombers of the F-15, F-105, F-4 Jaguar and A-10 types. In addition Denmark will have a British infantry brigade of 13,000 men. They are the same British soldiers who have several times taken part in major maneuvers in Denmark, most recently in Sjaelland.

The reinforcement plans also involve a reinforcement unit comprising 40,000 U.S. Marines. One-third of this force is earmarked for Norway, while the rest is earmarked for the whole of NATO's northern region, embracing Norway, Denmark and Schleswig-Holstein.

The plan also includes strategic reserves for the whole of Europe; a U.S. Marine infantry division of 20,000 men has the NATO northern region as its primary area of deployment, as does a British squadron which could be deployed in Denmark and Norway.

As in the past it is only the Danish Government which can request NATO reinforcements from NATO in a war or a war-like situation, and the decision to send reinforcements requires unanimity with NATO.

The British and U.S. reinforcement forces are self-sufficient as far as arms and materiel are concerned, and there will not therefore be any need for the storage of heavy materiel in depots in Denmark. However, it is possible that certain increases in the size of the existing depot areas for the British Air Force and Army reinforcements could be necessary. Ammunition and so on is already stored in interim depots for the U.S. Air Force reinforcements in NATO depots in Jutland. These interim stores will be succeeded by stockpiles in depots at the Jutland air bases, where hangars and fuel stores will also be set aside.

"The Social Democratic Folketing group is satisfied that it has proved to be possible to reach an agreement on reinforcements which does not require new depots and which does not alter the character of those already in existence. This means, for example, that heavy materiel will not be stockpiled here," Folketing group chairman Ritt Bjerregaard said after the defense minister had outlined the NATO reinforcement plan to the group.

"The group has discussed this plan and given it its full support, so that the defense minister can now proceed on the present basis, which can be seen as bringing up to date our involvement in NATO cooperation," Ritt Bjerregaard said.

Folketing member Social Democratic Helle Degn, who is the spokesman for the 12 members of the Social Democratic Folketing group which voted against the increases in the defense budget in the budget debate, said:

"The most important part of the proposal that has now been put forward is that the depots we have had up to now will not change character and that a promise has now been made that there will be annual reviews of the situation and that if there are to be any changes these will be put to the Folketing group for its approval. These are two important points which I consider to be most satisfactory," Helle Degn said.

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SCANDALS, PROBLEMS OF INTELLIGENCE SERVICES

Zurich DIE WELTWOCHEN in German 31 Mar 82 pp 21, 23

[Article by Marcel H Keiser: "State of War for Counter-Intelligence"]

[Text] The affair concerning Colonel Albert Bachmann, a member of the general staff, which caused both parliament, the public and the intelligence service much worry is gradually drawing to close—even in the secondary theaters of war. Given these uncertain times, do we have sufficient means of providing the National Council and the military leadership with the information they need in time ?

On 19 January 1982, parliament was embroiled once again in a debate on the irksome affair centering on notorious one-time intelligence colonel Albert Bachmann. On that particular Tuesday, a delegation representing the National Council's watchdog committee (GPK) asked some representatives of the Swiss Military Department (EMD) whether the GPK's guidelines laid down in a secret report submitted to Federal Councillor Georges-André Chevallaz a year earlier were being followed. (Along with this secret document, the parliamentarians had made public an eloquent manifesto at the time.)

Now, the members of the GPK—which wants to increase parliamentary oversight over the intelligence and counter-intelligence subgroup (UNA)—found that things were moving in the right direction but that implementation of their proposals had in some instances taken longer than originally envisaged.

At any rate, UNA can now plan ahead in the personnel field for 5 years, a first. In the intelligence service itself, officials were placed in charge of the sections for the time being instead of training officers, which has removed a further stumbling block.

As long as it is not overdone, the EMD has no objections to more rigid controls by parliament. In fact, the department feels that closer scrutiny might even deepen understanding for the special problems involved in intelligence activity.

Although the front between the national councillors and the EMD has been straightened, some fighting in secondary theaters of war can still be expected. The media are likely to play up the rather unsavory doings of Albert Bachmann once again. After Easter, divisional court 9A will be trying Kurt Schilling for treason, that unskilled lay agent whom Bachmann planted in

friendly neighboring Austria during the Bundesheer maneuvers there. The EMD entertained the vain hope that Schilling might plead guilty which would have made it easier to get the matter over and done with.

Schilling was charged with treason for telling his Austrian interrogators a bit too much. At this writing, he is at Steinhausen prison in canton Zug, working on some papers of minor importance for the EMD—because treaties must be served even if they were concluded by Bachmann in a rare display of naivete. Schilling's case is one of those early retirement types in the intelligence community.

In Olten, on the other hand, Captain R M, another friend of Bachmann's who liked to call himself "capitaine" in better days, is back in business, running a heating firm. He has no intention of dusting off the two medals the French gave him for a deal that never worked. The former intelligence man is suing the government for damages to the tune of 300,000 Swiss francs. He has entrusted his case to Christian Democratic People's Party (CVP) deputy Alphons Egli from Lucerne who is as familiar with legal matters as with the matter at hand. EMD upper echelons are confident that a settlement acceptable to all will eventually be worked out.

An Offer to Work for Foreign Intelligence ?

At least there will not be a public airing of the case pending against Major F L, who recently decided not to appeal. The EMD and L will now have to work out a compromise on how the professional officer is to be used in the future.

Captain U N, both a key and a minor figure in the affair, definitely quit the services of the East headquarters—having been given a restitution payment which barely covered the lawyers' fees. While N is now holding down a top spot with a Zurich security firm, his friend M B, another one of those who ran afoul of Bachmann, has ended up working for a sign painting outfit.

There is less clarity concerning the activities and whereabouts of the central figure of the months-long headline drama. After he sold his posh residence in Riggisberg in canton Berne, Albert Bachmann—who still belongs to the army general staff as a colonel—first moved to Ireland; but word now is that he has since left there. There are rumors, which have even been noted by the EMD, that Bachmann—the author of a slim volume on civil defense who is good for a surprise at any time—has been trying to cozy up to foreign intelligence services.

These days, Bachmann can frequently be seen in Zurich where he operates in an indeterminate function out of an office belonging to the Hausamann organization, it is said, an enterprise which provided invaluable services during the dark days of World War II to our country whose "legal heir," as the GPK put it, Bachmann became in 1975 with official blessings.

Out of the Shadows of World War II

It is a proven fact that UNA turned a cold shoulder on attempts by Bachmann to return to the fold. All links between him and the official intelligence community have been cut. Contacts, as far as necessary to assess the damage, are being conducted through a third person. Captain Bernhard Stoll, the then security chief who was severely overworked at the time in the GPK's view, is pretty much out of the running.

All things considered then, the monstrous affair is nearing an end and for the UNA, things are at last quieting down which is as it should be in critical times such as these.

But fundamental aspects of the work of the intelligence community which prefers silence to publicity will be disclosed this week when ALLGEMEINE SCHWEIZERISCHE MILITAERZEITSCHRIFT, the organ of the military officers association, publishes a doctoral thesis ("Espionage Against Switzerland-The Secret German Intelligence Services Against Switzerland in World War II 1939-45" by Hans Rudolf Fuhrer) the printing of which it substantially helped to finance in order to make it available to a wider audience. Although it is primarily an historical, scientific work, the EMD did not give permission to UNA representatives to take part in a television broadcast scheduled for next Sunday-- the idea being that there is no need to stir things up unnecessarily.

Fuhrer (who did his dissertation under professor Walter Schaufelberger in Zurich) points out in his conclusion that "much effort and much luck" would be needed to make up for what was not prepared and organized before the war. While this does not sound like much of an insight, it does raise the question of whether our intelligence service today would be prepared, if worse came to worst.

When asked by a deputy of the National Council, General Richard Ochsner, the former head of UNA (which is now directed by General Mario Petitpierre) strongly defended the efficiency of his organization, saying that it was forced to make do with limited funds but had found time and again that it did just as well or better than foreign intelligence services with far more personnel and technical equipment.

Since the Second World War, the emphasis has shifted. While it was then primarily a matter of gathering intelligence on a potential enemy with whose mentality we were familiar and whose language a majority of our own people speak, we are now confronted with the closed societies of the East.

Get in Touch with the Devil, If Need Be

While Swiss intelligence was once able to concentrate its activities on Europe, the scope has widened to include the whole world since. Pursuant to the thesis of former NATO general Johannes Steinhoff that World War III would break out on the periphery of Europe, it now includes the Near and Middle East as well as southern Africa (based on a 10-15 year plan) and the Caribbean and Central America. According to Berne, the isthmus connecting the two Americas provides a good illustration for the confrontation mechanisms that operate between the big powers.

Over the past three decades, the tempo has been stepped up radically as well. Everything happens much faster these days which calls for the appropriate technical equipment to stay on top of things. Although there is more and more sophisticated equipment available—for example in communications intelligence—CVP deputy Jean Wilhhelm from the Jura spoke of "gaps" in our intelligence network before the national council's military committee. By NATO standards, which is now putting Awacs airplanes into service, Swiss army capabilities are "substantially inferior" in terms of visual range.

EMD experts informed the committee orally in the meantime that the "Florida" radar system charged with air space surveillance and missile guidance will have to be replaced after 1990. For a variety of reasons, they were told, Awacs is out of the question. Instead, the possibility of augmenting stationary radar equipment with lighter, albeit extremely expensive reconnaissance aircraft—such as Hawkeyes—was being studied. Such airborne observation posts can locate tanks, among other things, at considerable distances as long as they maintain even minimal speed.

Contrary to frequently made assertions, UNA—whose personnel strength would increase about fivefold in case of war through the addition of militiamen—does not have any channels to NATO as an organization, but does maintain contact to individual member states of the Western alliance. Only with the two neutrals, Austria and Sweden, has cooperation been institutionalized. There are certain rules of the game which forbid triangular deals; but other than that, any intelligence service would do business with the Devil, if the need arose.

It is UNA's aim to provide the national council and the military leadership in time with the correct facts and the appropriate analytical data. It will not do to leave Switzerland high and dry in the intelligence context in a time of crisis which is why the service must come up with top professional results in the various fields so as to make itself indispensable.

For some time now, Switzerland has not only been an object of interest to foreign intelligence services—where military intelligence is now increasingly being joined by economic and technological espionage—but has also been a veritable hub of intelligence activity. Peter Huber, who will soon be replacing André Amstein as head of the Federal Police while also serving as chief of UNA's counter-intelligence division, has said that neutral Switzerland, as the host country of many international organizations, is "in the midst of the gravitational field of intelligence activity and espionage."

Huber—who was born in Zurich 41 years ago and was the youngest district prosecutor here once, a member of the CVP who has been with the Federal Police since 1976—notes that "there is a distinct preponderance of espionage activity by the East bloc," their aim being "in essence" to "weaken and undermine our country."

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Responsible for such activities on the one hand are legal residents, foreign diplomats who engage in intelligence activities in addition to their official functions and on the other hand illegal residents or agents, including purported Swiss nationals with false papers or unsuspecting foreigners who work hard at gathering information and setting up contact networks for wartime use.

The forests of antennas on the roofs of certain embassies and the constantly rising flood of radio messages they transmit speak volumes. Right now, there are about 650 Soviet diplomats working in Switzerland with another 200 assigned to this country only temporarily. According to the federal prosecutor's office, many of them—in Berne and above all in Geneva—work for the KGB or the GRU. This army of Eastern spies is augmented by agents from the satellite countries who have some 130 diplomats accredited here.

Although, as Huber says, there is a "substantial unknown factor" in the espionage field, the cases that were uncovered over the past 30 years give a clear indication of the thrust of the activities. Since 1948, the federal prosecutor's office has registered a total of 71 cases of espionage on behalf of Western countries as against 146 on behalf of East bloc countries. These figures make it very clear that our counter-intelligence community is practically on a war footing.

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